THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

America's Opportunity at Shanghai!

Siam's Fight For Sovereignty

By Francis Bowes Sayre

The Problem of the Mission Schools

By V. D. Ong

Canton Goes Cantonese—Chang Fa-kwei Ousts Li Chi-sum

By J. B. P.

The Future of British Trade in the Yangtsze Valley

密勒氏評論報

SATURDAY, NOVEMBER 26, 1927

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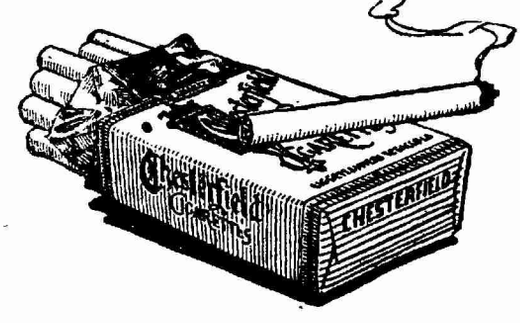

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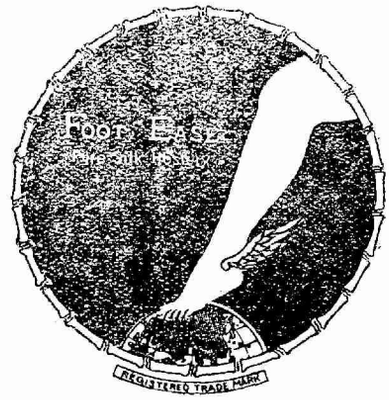

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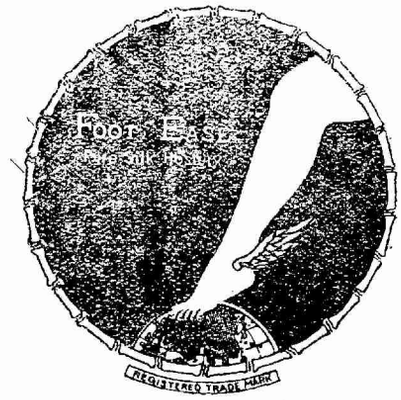

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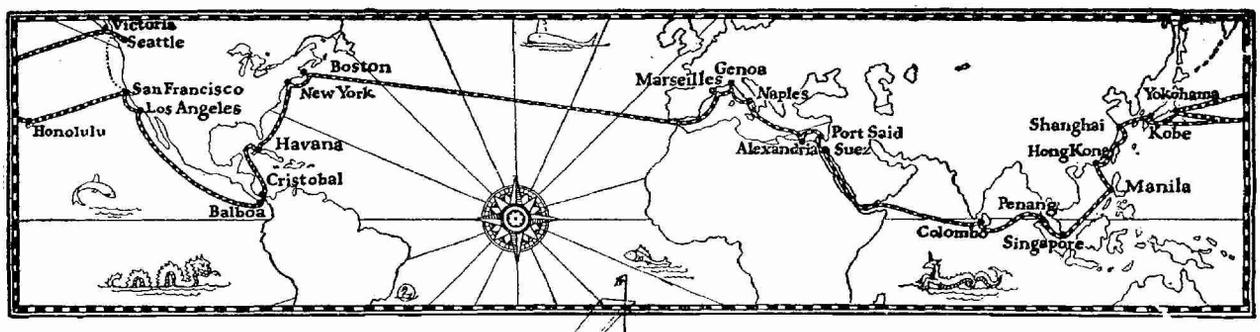

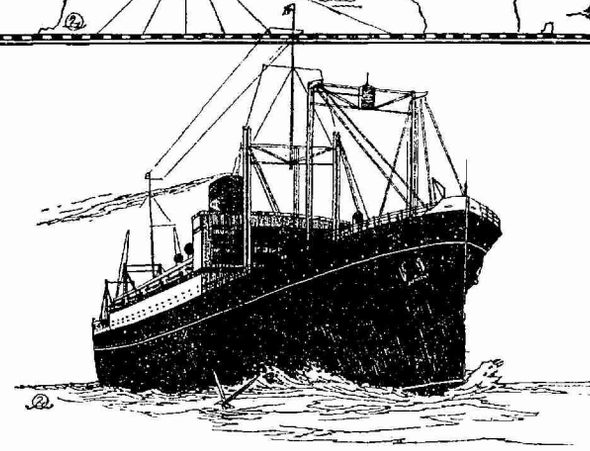

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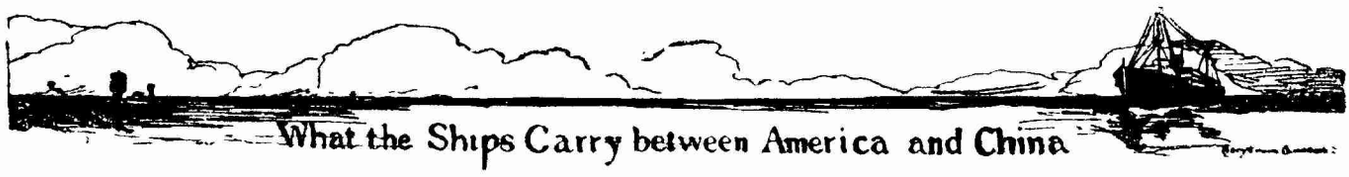

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls., Nov. *Customs Rate Tls. 1.46 equal Gold $1*

CAPTO, October 25.

From U. S. A.

Grease, Lubricating, Mineral	Galls	201
Oil, Lubricating, Mineral	,,	124,890
Oil, Kerosene, in Cases.	,,	484,870

YAMASHIRO MARU, October 27.

from U. S. A.

Copper Ingots.....	Pls.	840

FLORIDA MARU, October 27.

To New York.

Silk, Raw, Re-reeled: White, other Ports Bls. 30	Pls.	30.49

To San Francisco.

Cotton Rags.....	Pls.	1,252

To Philadelphia.

Cotton Yarn, Waste...	Pls.	102

EMPRESS OF RUSSIA, October 28.

To Vancouver.

Brassware	Pls	53
Walnuts, in Shell.....	,,	2,098
Walnuts, Kernels	,,	83

To Seattle.

Walnuts, Kernels.....	Pls.	82
Skins, Dog, Tanned ..	Pcs.	1,969

To Buffalo.

Silk, Raw, Steam Filature: White, Shanghai Bls. 175	Pls.	173.96

To Hamilton.

Tea, Green: Gunpowder, Ningpo.	Pls.	3

To Luzerne.

Silk, Raw, Steam Filature: White, Shanghai Bls. 25	Pls.	24.77

To Huntingdon.

Silk, Raw, Steam Filature: White, other Ports Bls. 45.....	Pls.	45.19

To Hoboken.

Silk, Raw, Re-reeled: White, other Ports Bls. 55.....	Pls.	55.94
Silk, Raw, Steam Filature: White, Shanghai Bls. 35.....	,,	35.02
White, other Ports Bls. 10.....	,,	10.00

To Shamokin.

Silk, Raw, Steam Filature: White, Shanghai Bls. 130	Pls.	130.72

To New York.

Silk, Raw, Steam Filature: White, Shanghai Bls. 40	Pls.	40.12
White, other Ports Bls. 10.....	,,	10.12
Silk, Raw, Re-reeled: White, other Ports Bls. 135	,,	136.94
Silk Raw, Filature: Wild, other Ports Bls. 15.....	,,	15.27
Silk Cocoon Strippings: Shanghai ....Bls. 7	,,	21.72
Silk, Waste: Shanghai ....Bls. 7	,,	20.08
Other Ports..Bls. 15	,,	50.14
Tea, Black: Keemun, Shanghai..	,,	2
Keemun, Kiukiang..	,,	5
Tea, Green: Gunpowder, Ningpo.	Pls.	1
Hair, Horse	,,	52
Skins, Mole, Untanned	Pcs.	6,404
,, Rabbit Untanned	,,	5,000

To Boston.

Silk, Waste: Shanghai ....Bls. 16	Pls.	52.40

To Reading.

Silk, Raw, Steam Filature: White, Shanghai Bls. 20	Pls.	20

To Montreal.

Tea, Black: Unfired, Hankow...	Pls.	198
Unfired, Kiukiang ..	,,	227
Tea, Green: Gunpowder, Ningpo.	,,	57

HAGUE MARU, October 29.

To New York.

Tea, Green: Young Hyson, other Ports	Pls.	78
Hides, Buffalo Untanned	,,	155
Hair, Human.....	,,	7
Seed, Sesamum	,,	11
Tallow, Vegetable	,,	423

To San Francisco.

Tallow, Vegetable	Pcs.	1,677
Woodware	,,	5
Brassware	,,	20

To Philadelphia.

Cotton, Waste	Pls	100

To Houston.

Hair, Human.....	Pls.	39

To Chicago.

Tea, Green: Gunpowder, Ningpo.	Pls.	372

To Cincinnati.

Tea, Green: Hyson, other Ports..	Pls.	53
Gunpowder, Ningpo.	,,	194

PRESIDENT JEFFERSON, October 29.

From U. S. A.

Apples, Fresh	Pls.	374
Bacon and Hams, in bulk	,,	15
Flour, Wheat	,,	1,449
Milk, Evaporated.....	,,	960
Oranges, Fresh.....	,,	74

TENYO MARU, November 2.

To San Francisco.

Tea, Black: Unfired, Hankow...	Pls.	523
Unfired, Kiukiang ..	,,	68
Tea, Green: Gunpowder, Ningpo.	,,	47
Gunpowder, other Ports	,,	1
Antimony, Regulus ...	,,	420
Intestines, Pigs,'	,,	117

To New York.

Silk, Raw, Re-reeled: White, other Ports Bls. 30.....	,,	30.41
Silk, Raw, Steam Filature: White, Shanghai Bls. 5	,,	5.03
White, other Ports Bls. 10	,,	9.93
Silk, Raw, Steam Filature: Wild .....Bls. 20	,,	20.48
Cotton, Raw ..Bls. 100	,,	400

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—Due to large receipts of all grades from the interior and the continued reticence on the part of local consumers, together with labour strikes now in progress in some of the Japanese and Chinese Mills, prices on the whole during this week declined about Tls. 1.00 per picul lower than the level last ruling and at those rates a fairly large volume of spot business by Japanese Exporters may be recorded. Mid-Americans and Indians continued in a more or less steady position during the past week and influenced this market neither one way or the other. However, from tendencies manifested in the past, any material advance or decline in the values of the foreign fibre would immediately be reflected to a more or less extent on the local staple so long as exchange rates continue in its present steady course. Having the foregoing in view a conservative policy would be advisable.

Yarn:—We have no change to report in the position of the local yarn market in that prices ruling are nearly the same as last week. New business for export has been booked some 10000 to 11000 bales in all counts at ruling prices. As to the future trend of the market, we do not think there will be any serious decline of any consequence owing to the fact that stocks locally and in the interior marts are practically small, and in our opinion, we believe that purchases on breaks are likely to lead to profitable results.

Liverpool:—

American-Middling	11.08
American-Middling last reported	11.21
Tone of the Market, *Easier*	

New York Market:—

Price of Mid-Amer.	19.75	Spot.
	19.32	Dec.
	19.37	Jan.
	19.58	Mar.
	19.74	May
	19.65	July.

Tone of the market—*Weak*

Indian Market:—

Fully Good Bengal,D./J.	319
Fine Oomra, D/J.....	358
Fully Good Broach,A./M.	388

Shanghai Market:—

	Tls.
Tungchow,O./N.exwharf	33.80
Shanghai,O./N.....	32.75
M. Ginned, Spot.....	33.00
Shensi, No. 1 O./N./Dec.	34.50
Ningpo. Spot, Exwharf.	29.60

Tone of the market—*Steady*

Tone of the market—*Weak*

NATIONALISM AND THE SHANGHAI QUESTION!

The *China Weekly Review* has just issued a special number devoted to the subject, "The Nationalist Movement and the Shanghai Question," which contains more than 100 pages of material dealing with matters of vital interest to Chinese and foreigners. Among the articles appearing in this number are the following:

From the Mixed Court to the Provisional Court.

Why the Shanghai Question Has Become a World Problem.

Is America Doing Her Share at Shanghai?

If There Should Be Foreign Intervention!

The Views of the Minister of Foreign Affairs, by Dr. C. C. Wu.

Chinese Nationalism Is a Living Reality, by Quo Tai-chi.

China's Politics During the Past Decade, by Dr. C. T. Wang.

Chinese Favor 'Moderate' Redemption of Shanghai, by G. Zay Wood.

An Analysis of the 'International' Settlement of Shanghai, by Dr. Manley O. Hudson.

The Problem of Municipal Government at Shanghai, an Interview with Gen. Hwang Fu, former Mayor.

The Legal Basis of the Municipality of Shanghai, by a former Member of the Faculty of the Comparative Law School.

Why the Settlements and Concessions Ought to be Abolished, by S. H. Wang.

The Chinese Revolutionary Movement and the Kuomintang, by C. S. Hoh.

Marshal Feng Yu-hsiang and the Kuominchun, by a Chinese Writer.

The New Mayor Discusses the Shanghai Problem, by Gen. Chang Ting-fang, Mayor of the Shanghai-Woosung Special District.

An Interview with Gen. Chiang Kai-shek, by Henry F. Misselwitz of the New York Times.

The Educational Programme of the Nationalist Government, by King Shu.

The Operations of Imperialist Russia in China, by Count Carlo Sforza, former Minister of Foreign Affairs of Italy.

Shanghai and its New Provisional Court, by Manley O. Hudson, Professor of International Law at Harvard and member of the Secretariat of the League of Nations at Geneva.

The Nationalist Revolutionary Movement in China, by Gen. Bei Tsung-chi, Defense Commissioner at Shanghai.

The Basic Aims of the Chinese Nationalists, by P. T. Lau.

The New Split Between Hankow and Nanking, by J. B. P.

There has been a heavy demand for extra copies of this number so that those interested in obtaining copies should make application at once. The price is Mex. $1 a copy.

THE CHINA WEEKLY REVIEW

J. B. POWELL, Editor

4 Avenue Edward VII, Shanghai.

Dyer Says China Offers America the Best Trade Opportunity!

Trade with the Orient, particularly China, offers the United States the best opportunity for business expansion, Congressman L. C. Dyer told to the World Trade Club and Foreign Trade Bureau of the Chamber of Commerce upon his return from his third trip of inquiry into the Far East, according to an account appearing in the *St. Louis Post-Dispatch* on Oct. 9. He was guest of honor at a dinner in Hotel Jefferson and more than 500 prominent guests were present.

Dyer, after relating measures for facilitating trade which Congress has passed gave the following as the most recent figures upon trade with China and Japan: China imported $52,143,000 of American goods in the first six months of 1927, compared with $110,000,000 in 1926, and compared with $157,000,000 of our goods taken by Italy. China exported to the United States $101,000,000 of goods, chiefly raw materials, in the first six months of 1927, compared with $143,000,000 for 1926.

Japan took $142,000,000 of American goods in the first six months of 1927, compared with $260,000,000 in 1926 and sent $225,000,000 of goods to the United States, compared with $400,000,000 in 1926.

Opens China to Business

Dyer said that at his instance, Congress passed a law exempting American companies organized for business in China from certain taxes and that in the three years since passage, 54 companies have been granted charters for trade in China, with a total capital of $19,000,000. In addition, he said, there are 617 other American concerns with agents or offices in China and that the invested capital represented through 12,500 Americans living there is approximately $125,000,000

"When China has put down militarism and established a stable Government, our opportunities there will be stupendous," he said.

Dyer said that, although American shipping laws had been liberailzed to encourage shipping in American bottoms to the Orient, we had not made our laws comparable to the similar laws of other nations, but that ships flying the American flag and operated by private companies were doing a flourishing business with the East.

In conclusion, Dyer said: "What I have said so far would seem to indicate that my sole interest in China is foreign trade —dollars and cents, That is not true, however. I want to see that great country remain intact until it has eliminated militarism and established a stable civil Government, as well as improved its domestic economic conditions. Pending this, the United States will stand by China and prevent its dismemberment. When China has done her part, special privileges and unequal treaties will be a thing of the past. Then that great country will go forward and take her rightful place in the world of nations."

Hawes and Neun Speak

Other speakers at the dinner, which was attended by about 500 persons, were President Neun of the Board of Aldermen, Senator Hawes, Dr. W. F. Gephart, president of the World Trade Club; Lon Sanders, a Chamber of Commerce leader and prospective Democratic candidate for Governor, and the toastmaster, Robert E. Lee.

Holders of many Federal, State and City offices and other politicians were present. Former Congressman Newton, Chairman Kiel of the Republican State Committee and Congressmen Niedringhaus and Cochran were among those at the speakers' table.

Senator Hawes declared there was no reason why the commerce of 26 states should not go by water from the Mississippi valley to China, with only one change of vessel (at New Orleans), and be exchanged for the wealth of the Orient for return by the same route.

Dr. Gephart said it was too bad China has not sent some missionaries to America while America was sending missionaries there, so that Americans might be taught Chinese poise and calmness. He told of the affection the 500 Chinese residing in St. Louis have for Congressman Dyer. Lee remarked that the Dyer act, relating to interstate theft of automobiles, had meant millions of dollars for the motor business, and recalled that Congressman Dyer had been awarded a Congressional Medal for his bravery as a soldier at Santiago in 1898.

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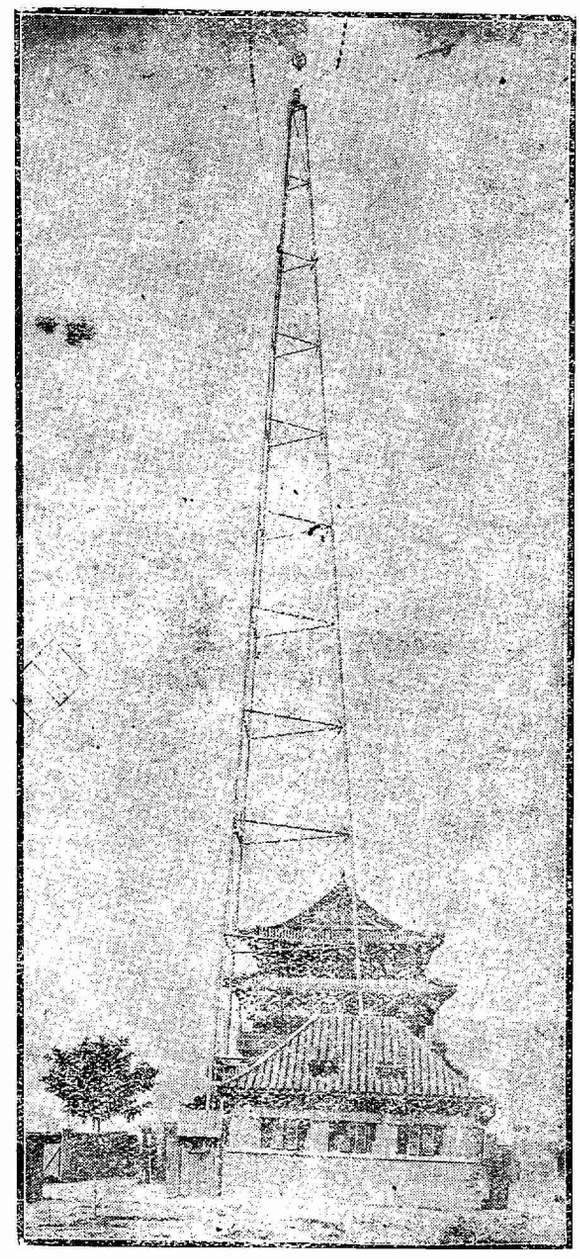

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密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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AMERICA'S OPPORTUNITY AT SHANGHAI

IT WAS announced sometime ago that the State Department has under consideration the so-called Shanghai Question and that some action may shortly be taken by the United States Government in the direction of solving the problem of Chinese representation in the Shanghai Municipal Government. There is hope that this report is correct for the United States is in a peculiarly good position at this time to act as mediator in the deadlock which has existed for so many months and years in the relations of the British and Chinese. Mr. E. S. Cunningham American Consul-General at Shanghai, who has had many years of experience in China, is now chairman of the Shanghai Consular body and also chairman of the Shanghai Consular Court. Mr. Cunningham entered the U. S. Consular service in 1898 and it would be most fitting for him to round out his career with a settlement of the Shanghai Question, a knotty problem in the relations of Orient and Occident which has baffled solution for so many years. The question of Chinese representation in the municipal government here is, of course, only one phase of the Shanghai Question. The entire municipal government of Shanghai should be reorganized, a matter which was forcibly brought to public attention by the Japanese recently. Therefore, if the United States would now take the lead and suggest a practical method of reorganizing Shanghai it is possible that this suggestion would meet a ready response on the part of other nationals, including the British. The Chinese, if granted a legitimate share in the new government, could be counted upon to lend their approval as a matter of course. Despite the contentions of reactionary interests, the Shanghai Consular body, which is the only really international phase of the local government, does have it in its power to solve this question, providing the support of the home governments could be obtained. And in this connection there is little question but what the British government would wholeheartedly support a revision of the Shanghai municipal administration, the reason being that Britain realizes that the deadlock here is not only aggravating Sino-British relations but is also adversely affecting Britain's relations with other nations such as America and Japan. The Shanghai Question ought to be settled and it ought to be settled shortly because the indefinite continuance of the deadlock is adversely affecting business for everyone. When one looks back over the history of America's participation in affairs at Shanghai there is noted the fact that the American official representative has on many occasions performed heroic service in the solution of Shanghai problems. At the very begin-

ning it was an American merchant-consul who established the "international" character of the Shanghai Settlement. Then a few years later during the Taiping Rebellion, it was another American Consul who was responsible for the opening up of the foreign area for Chinese residence, an action which assured the future greatness of the city for it has been the presence of the Chinese and the close commercial contacts with foreigners which has made Shanghai the commercial and financial metropolis of Eastern Asia. Then still further along it was an American consul or commissioner who initiated the action which resulted in the formation of the present Chinese Maritime Customs Administration. Which suggests the thought that if America could accomplish these things when our country was young that there is now all the further reason in the world why America should take the lead in initiating a move for a complete revision of the local government that would pave the way for the development of a really GREATER SHANGHAI!

THE COUNCIL'S ACTION AGAINST THE HUA TEH TOBACCO CO.

WE HONESTLY believe that it would be possible to publish a daily newspaper in Shanghai and fill it with legitimate news which the local foreign press is afraid to publish on account of intimidation by the local municipal authorities. In proof of this statement we present the following news item which was sent to all of the foreign newspapers in Shanghai on November 16 by the *Kuo Min News Agency* (official organ of the Nationalist Government) but which none of the foreign newspapers apparently dared to print:

(*Kuo Min News Agency*)

Shanghai, Nov. 16.—In a strong protest lodged with the Senior Consul, Mr. Quo Tai-chi, Special Commissioner of Foreign Affairs for Kiangsu, is understood to have demanded adequate compensation for the Hua Teh Tobacco Company whose premises, on Muirhead Road, together with all machinery and other equipments for the manufacturing of cigarettes, were totally demolished by a group of employees of the Shanghai Municipal Council. Characterizing the extraordinary action of the Shanghai Municipal Council as arbitrary, oppressive, and high-handed, Mr. Quo warned the Senior Consul against such further wilful provocation on the part of the Municipal Council.

About a week ago, a group of foreign constables called on the factories of the China Merchants Tobacco Company, of which the above-mentioned Hua Teh Company is a member, and ordered the removal of all ovens, machinery, and other "combustible" matters on the ground that they constituted a source of danger to the safety and sanitary conditions of the neighborhood. Upon receipt of the Municipal notice, the China Merchants Tobacco Company addressed a petition to the Commissioner of Foreign Affairs, pointing out that their factories had been in existence for the last two years, that all machinery and equipments were installed with the approval of the Municipal authorities, and that hitherto no complaint was ever made of their being a source of "danger". The Company's petition also informed the Commissioner that they were ready to make whatever alterations to meet the demands of the Municipal Council.

Mr. Quo then sent one of his secretaries to call on the Municipal authorities to ascertain the facts of the case to which the Municipal authorities professed ignorance.

Suddenly on the 10th instant, a group of between 40 and 50 workmen, under the direction of several foreign Municipal staff members, appeared on the premises of the Hua Teh Tobacco Company, ripped off the roof, dismantled all equipments, and put out of commission the machinery and the ovens.

In his official protest which was accompanied by three photographs, showing the extent of the destruction wrought by the Shanghai Municipal Council, Mr. Quo pointed out that should any alterations be considered necessary by the Municipal Council, time should be allowed the Company to effect the required changes, and that such arbitrary and unprecedented action on pretence of ignorance on the part of the Municipal authorities can but be construed as an act of wilful provocation which he failed to understand and cannot countenance.

Besides demanding adequate compensation for the destruction sustained by the Hua Teh Tobacco Company, Mr. Quo requested that the Municipal authorities be restrained from such further arbitrary action.

THE ONLY newspaper in the English language in Shanghai which printed this news item was the *China Courier* which is Chinese owned and registered under American law. The *Courier's* comment on the incident was as follows:

Imperialist Insolence

Besides kidnappers and bandits who have chosen this "model" Settlement of Shanghai as their field of activity, a new source of danger to property has developed, at least, in so far as the Chinese are concerned. Investments in the Settlement may now be reduced to nothing at any moment, judging by the action taken by the Municipal Council towards the China Merchants Tobacco Company.

The story is indeed an amazing one, speaking volumes for the brand of justice and equality we have been dealt with here in Shanghai.

The China Merchants is a foremost Chinese tobacco concern, rapidly taking up the place lost by foreign cigarette dealers despite—or rather because of—the troops and gunboats that their governments have sent here with gusto.

The China Merchants have several factories in the Settlement built two years ago with the approval of the Municipal Council. About two weeks ago—incidentally, when efforts for a settlement of the strikes in the British-American Tobacco Company's factories at Pootung had apparently failed—some foreign constables made an "inspection" tour of the China Merchants factories and ordered the removal, within 5 days, of all ovens, machinery and other "combustible" matters on the ground that they constituted a "source of danger to the safety and sanitary conditions of the neighborhood."

The Chinese brought the matter to the attention of their Commissioner for Foreign Affairs who immediately started to make inquiries with the Municipal authorities, but he was given to understand that they knew nothing about the affair! Their subordinates, however, were more on the alert. On the 10th instant, a group of workmen led by foreign Municipal staff members, made their sudden appearance on the premises of one of the China Merchants factories, ripped off the roof, dismantled the equipment, and put out of commission the machinery and ovens.

The lesson the Chinese should have gained from this instance showing the amazing speed with which the authorities can virtually close down a factory is: No plant installed in the Settlement, even with the approval of the Council, may now be totally demolished, provided that the owners are given notice as long as five days; no alterations in the plant being sufficient, in the eyes of the authorities, to remove the danger it is supposed to cause to the neighboring district.

The unprecedented action by the Municipal authorities has a most deplorable effect. For days local vernacular papers have been carrying half-page advertisements urging the boycott of cigarettes manufactured by the British American Tobacco Company which, owing to its large capital and long years of existence, has been enjoying the lion's share in the cigarette business in China, but has suffered heavy losses since the May 30th incidents of 1925, through a period of boycotts and strikes. But it may at least be given some satisfaction that the same hands which shot down innocent Chinese students two years ago and were therefore largely responsible for its losses, are now working, consciously or otherwise, for its retaliation.

We are not familiar with the legal rights of the Shanghai Municipal authorities in matters of this kind, but it would seem logical to believe that a ruling of the Provisional Court should have first been obtained. The fact that the Council has not seen fit to make any public explanation has given the Chinese opportunity to place their own interpretation upon the incident and the final result has been to provide the propagandists with further ammunition for discrediting the foreign administration of the Settlement.

"Undermining American Policy in China"

THE EDITOR of *The Review* has just received from Chinese civilian sources in Shanghai a copy of a letter which a foreign businessman in Shanghai wrote to a business acquaintance in the United States on the subject of conditions in Shanghai and the Yangtsze Valley. The letter was written during last August and purports to describe conditions which prevailed in this city and the Yangtsze Valley generally at that time. The man who wrote the letter is not of American nationality although he is connected with an American concern, which is a matter of considerable significance since he unhesitatingly takes it upon himself to advise the American people and their government as to the proper course of action which he thinks they should follow in dealings with China. His connection with American business in China might be interpreted as giving him (a non-American) the right to advise America on questions of China policy, but this right, obviously does not include the passing out of mis-information regarding actual conditions which prevail or prevailed in this part of China, a matter which will be evident to anyone upon perusal of the letter which we are reprinting herewith. The unfortunate part of the matter is that the letter, in some manner, has gotten into the hands of the Chinese in Shanghai and has been extensively circulated both in official and non-official circles, a matter which obviously is not calculated to enhance the prestige or the business of the firm with which this man is connected. The letter follows:

(*Note —Since we have no desire to add further to the damage which this letter has done to the firm with which the man who wrote the letter is connected, we have deleted names and references which might indicate its authorship*).

"Dear Sir:—I read with a great deal of interest and much satisfaction, the last issue of the official publication of the ————. I note that the Committee has decided to adopt a policy to make the (name of society) a source of accurate and impartial information on current events in China, as outlined in paragraph 3, end column of page 4 of the publication for ————.

"I feel that if the organization will follow this policy in full, it will be rendering the most signal service that can possibly be rendered to American interests in China at the present time. The great handicap which in my judgment American interests have been up against out here, is the fact that it has seemed to be impossible for the sound moderate business people out here to get a fair publication in the U.S.A. as against the missionary propaganda and the heavily paid Nationalist-Communist propaganda which has been going on.

"It does not seem possible to any sound-minded people that if the real state of affairs as they exist out here, was known in America, American public opinion would be very different than it appears today. It is not realized to any extent, at least in the U.S.A., that the present trouble and chaos is caused by a very small minority which does not in any sense of the word represent the general Chinese opinion or desires.

"While on the surface the Nationalists appear to be engaged in a patriotic movement, and also for practical reasons have disengaged themselves lately from the Communists generally, I can assure you that there is no more patriotism in the movement than what is paid for in hard cash, and as for the apparent dissociation of Nationalism and Communism, it is only a practical move taken by one part of the Kuomintang, who felt that the other part of this group (the strongly radical and "red" party) was on the point of overwhelming the whole organization.

"The entire debacle of the Nationalists is for once being brought about by the feeling of the people, caused through the wholesale robbery, kidnapping and other terroristic methods used by the above party. It became just too much. Very little has been heard in public of the perfectly organized kidnapping of the rich Chinese which has been going on here for the last few months, practically arranged for by the Nationalist Government, and to a great extent for their benefit. A large number of well known rich Chinese have been kidnapped at any time of the day in any part of the Settlement, by a small gang of armed men who abduct the victims in their car and hold them in custody until ransom has been paid, varying from Tls. 50,000 up to as much as a quarter million taels. The Chinese do not notify the police and do not do anything for fear of what would happen to their family if they did. Consequently it is practically impossible for the local police to stop these practices.

"Conditions have become so bad that I have offered two of our best friends the convenience of living in my house under my protection for the time being. They have, however, both preferred to disappear from Shanghai until after the Nationalist reign of terror is over.

"I do not think I am over-estimating when I say that Tls. 100,000,000 have been illegally taken from the Chinese in Shanghai, nor do I think I am wrong when I estimate that less than a quarter of this has gone into the Nationalist coffers, the balance into the private pockets of the leaders and their followers.

"The anti-foreign feeling, which had been fostered by the Communist element, and which never amounted to very much anyhow amongst good Chinese, has entirely changed, and there is nothing the Chinese would welcome more than foreign intervention. Personally, I feel that any attempt at foreign intervention by force of arms, would be a great mistake, but there is no question that a firm policy must be adopted as far as the keeping of the old treaties is concerned, for the time being, if the foreign powers do not wish to see chaos and complete stoppage of trade.

"The few times firm action has been taken, the result has been immediate. Take the incident which has given great excitement here the last few days. On Wednesday a British airplane,on account of engine trouble, had to come down on the Kiangwan golf course, about two miles outside the Settlement. Motor lorries were sent out to take the plane back, and no objection was raised by the Chinese at all until practically all the plane had been brought back and only the four wings were left. A body of Cantonese troops stationed near the golf course surrounded the few British engineers who were left in charge of the wings, and practically made a prisoner of the Commander of the Flying Corps who was there at the time.

"A very tense situation arose, and the Chinese military consented to let the officer and men out at night. They refused, however, the next morning to let them take away the wings of the plane. The British General issued an ultimatum that if the wings were not delivered at five o'clock that day, he would cut off the Hangchow Railway line where it passes the International Settlement.

"As the wings were not given up, he promptly executed this threat and yesterday afternoon the wings were sent back with compliments and the Railway line restored.

"As far as I have been able to gather, there are very few if any foreign merchants here who are not entirely in sympathy with the desire of the Chinese to regain Customs autonomy. The foreign chambers of commerce have all expressed themselves in favor of it. What everybody objects to, including all the Chinese, is the fact that it is only a small military group who happen to be in possession of a few provinces, who take to themselves the Customs autonomy and collect for themselves and their own use the extra duties which they are imposing.

"The trading communities out here feel that no foreign government should allow their treaties to be ignored and over-ruled by a military general or a small body of revolutionary returned students who choose to do it, and we all know that it would not be done if the foreign governments would definitely insist that they would not stand for it. It is not a question of military interference or armed resistance by the foreign powers, the only thing which is needed is a definite and firm stand, and the use of the perfectly simple means which they have in their possession to prevent this illegal and ruinous taxation being imposed, and enforced.

"That only firm action is necessary, has been proved in connection with the tonnage dues. The tonnage dues of Shanghai are fixed by treaty. They are collected through the Customs organization and they are about as high as anywhere in the world. Suddenly the Nationalist Government doubles the harbor dues and they adopted the same method of collecting as they have used for the excess duty. According to treaty the harbor dues have to be paid to a bank selected by the Chinese government, which for years

has been the Bank of China. The Customs House issued a tonnage dues slip and the Bank of China after receiving the money, stamps this slip.. It is then taken back to the Customs who issue clearing papers for the ship.

"The method adopted by the Nationalist Government was to insist that the Bank of China refuse to accept the legal dues and stamp the duty slip until dues had been paid.

"Although, of course, the Customs knew perfectly well what was going on, they adopted the attitude that they knew nothing about it and that they were not prepared to issue a clearance slip until the memorandum was back duly stamped.

"For a week or ten days the ship owners were forced to pay this extra tax until a French mail steamer entered the harbor. The French Consul-General accompanied by a representative of the Messageries Maritimes went to the Customs house and tendered the legal dues for clearing the ship. The Customs House refused to accept the money and insisted it must be paid through the Bank of China. The Consul then went to the bank and tendered the money, asking the bank to stamp the clearance slip. The bank refused to do so before the tax bureau had put on the slip that they had received the illegal dues.

"The Consul then, deposited the legal dues in the Banque de l'Indo Chine gave notice to the Customs House that the money had been so deposited, and at the same time they cleared the French mail ship on a consular clearance.

"This example was promptly followed by other nationalities, and the consequence was an immediate cutting down by the Nationalist Government of the extra dues and later an entire cancellation of them.

"Exactly the same procedure could be followed in connection with the extra duty rate which is threatened for the 1st of September, and I believe if an attempt is made to enforce the proposed tariff on the 1st of September, the same procedure will be followed by several big nations.

"Should by any chance the rules and regulations issued by the Nanking Government regarding extra duties, factory dues and stamp tax go through on the 1st of September, it will mean the absolute ruination of Shanghai and the trade right through the Yangtsze district. The Chinese realize this to a far greater extent than the foreigners, and would undoubtedly be hit far harder by these measures than any foreign firm would.

"From the situation today, however, it looks as if the Nationalist party is absolutely finished and the Nanking government will cease to exist within the next few days. Chiang Kai-shek, the leader, has disappeared. He tried to get transport to go to Japan, and as it was refused, he is said to have left for Ningpo, his birthplace. All the political leaders under him, belonging to the governing party in Canton, have also resigned and fled to the foreign concessions of Shanghai.

"Sun Chuan-fang, the former Governor of these provinces, has taken possession of Pukow, and for the last two days has been bombarding Nanking, which has been in a state of panic. All foreigners have been taken on board warships, and the Chinese military leaders have all fled to Shanghai, where immediately they arrive at the station they discard their military uniforms for mufti, and disappear in the much disputed Settlement, which is their only haven of refuge.

"During the year and a half that Sun Chuan-fang had control of this city, he acted very well indeed and his return here will be extremely popular with the Chinese community. What attitude he will take with regard to the various schemes of taxation, etc., is of course not known yet, but it is confidently expected that while he will naturally create for himself and his army a certain source of income, he will not attempt anything like the wholesale robbery which the Nationalist party conceived and tried to put across.

"I could write you page after page on the various situations which have been created and are being created all the time throughout China by the fact that the foreign governments seem to have entirely given up any idea of defending any of their treaty rights, but what I really wish to put before you in this letter is the satisfaction which the policy of the . . . has given to those Americans out here who have been informed about it, and to express to you my hope that it will not only be a matter of a resolution adopted, but that in practice the . . . will make it their business to see that the proper facts of the situation are placed before the American public, to such an extent as they can manage.

"If at any time I can be of any use to your organization in giving you information on any subject you may desire to have elucidated, I would be very glad to do so. As you know, my whole sympathy is with the Chinese, and I can assure you that as long as the. . . . wishes to serve the really good Chinese, they can do no better than to see to it that the unvarnished facts of the situation, without any party feeling towards either side, is put before the public at home. I think I can say without in any way exaggerating, that should the Nationalist party have been able to keep their control over the six provinces, including Kiangsu, the inevitable result would have been the absolute ruination of Shanghai, exactly as they have ruined all the ports on the Yangtze. Take for example Hankow, at the beginning of this year an exceedingly prosperous center of a large trade under constant development. It was, as you know, the central point for all the Yangtsze trade and a large manufacturing center, besides being the chief port of export in China. Today it is an entirely disorganized spot with no trading whatsoever, no currency, and no safety for life or property. The so-called Hankow Government has confiscated all the native banks' silver and other assets, and given them instead valueless notes and treasury certificates. They have stopped all sources of export except against extremely heavy taxes, and produce such as cotton, etc., they have stopped altogether. All foreign banks and foreign trading companies have stopped business. The banks have now remained closed for months, and are probably going to close down for good if a change is not made very shortly. Factories have stopped running as labor has been entirely disorganized. Altogether, in six months they have succeeded in utterly ruining not only Hankow itself but all the numerous important trading points along the Yangtsze, such as Ichang, Changsha, Kiukiang, etc., all of which could have been prevented if the foreign governments had refused to accept the over-riding of all their treaty rights and the right to safety for their nationals.

I am writing you so fully because I know the great interest you take in matters out here, and you are of course at liberty to make any use you like of the contents of my letter.

Yours very truly,

WHILE *The Review* is opposed, in principle, to the recommendations in this letter pertaining to a "strong" American policy from the standpoint of trying to enforce the old treaties, we naturally have no right to object if the writer of the letter feels that way about it. That's his business and he has a perfect right to recommend a "strong" policy, but since the writer of the letter is not an American citizen, and the letter apparently was intended for general circulation among American businessmen, we think he should have stated his nationality when making his recommendations to the American people as to the policy which he thinks they should pursue in their dealings with China. One of the great difficulties which the American people have experienced in trying to see and think clearly on the China question, has been due to the flooding of the United States with propaganda by non-American interests urging particular lines of action. The result has been to "muddy the water" and make the American people suspicious of everything originating in Shanghai. This naturally has been detrimental to all interests concerned and particularly to non-American interests which have tried through oblique methods to influence American Policy. This was particularly true last spring when an attempt was made by non-American interests to exaggerate the various incidents incidental to the Nationalist advance with the definite purpose of involving America in a highly dangerous military adventure in China. The plot failed because the American people and their government saw through it, and in failing it also did tremendous damage to the prestige and reputations of Americans and their organizations which loaned their facilities to the propagation of policies inimical to the best interests of the American people in this part of the world; policies which were contrary to the traditional policy of America toward China.

TO REFER specifically to certain declarations in the letter quoted above, which are incorrect statements of fact, we quote a statement from the fourth paragraph: *"I can assure you that there*

is no more patriotism in the Nationalist movement, than what is paid for in hard cash.....". It would be interesting to know through what process of reasoning the writer of the letter arrived at that conclusion. The Chinese who are active in the Nationalist movement include men from all parts of the country who have been active in urging reform in China and in China's relations with foreign notions for many years preceding the establishment of the Republic in 1911. Many of these men have appeared at international conferences where they presented China's case and they have worked for reforms at home at great personal sacrifice. There are of course, rogues in every political movement in China as elsewhere, but it certainly is not correct to state that *"there is no more patriotism in the Nationalist movement than what is paid for in hard cash."* Does the writer of this letter mean to allege that all of the thousands of Chinese from Mukden to Canton and from Shanghai to Chengtu who are working for treaty revision and for domestic reform, are only doing it for the "hard cash" they can get out of it; that if someone would pay them higher salaries they would cease working for China and join some imperialistic foreign government which would like to turn this country into a colonial possession? How any sane foreign businessman could make a statement like this and expect it to be believed is beyond our understanding. Then in the same paragraph the writer of the letter makes the statement that there has been no dissociation of Nationalism and Communism. We fear it would be difficult to convince leaders and members of the Communist Party who have been driven into hiding or out of China entirely, of the accuracy of this statement. Then in the next paragraph, the writer of the letter makes the allegation that the kidnapping of wealthy Chinese at Shanghai was *"practically arranged for by the Nationalist Government."* It is true that while Gen. Chiang Kai-shek was commanding the northern expedition in Shantung last spring, some irresponsible minor Nationalist officers at Shanghai were suspected of complicity in the kidnapping of a wealthy Chinese merchant, but when Gen. Chiang heard of it, he caused the officers to be arrested and later they were executed. So much for that! Then later on the allegation is made *"that Tls. 100,000,000 has been illegally taken from the Chinese in Shanghai, nor do I think I am wrong when I estimate that less than a quarter of this has gone into the Nationalist coffers, the balance into the pockets of the leaders and their followers."* This, it must be admitted, is a considerable sum of money and to be correct would have to include all loans which the Nationalists have floated here in the furtherance of their military campaign. We suppose Marshal Chang Tso-ling, dictator of the Peking Government would consider this "illegal" just as the Nationalists consider Marshal Chang's tax levies "illegal" but since the money is raised by Chinese from the Chinese, we can't see where foreigners have any justification for considering it "illegal" unless they consider all revolutionary activities "illegal" which, of course they are, strictly speaking, until they succeed.

THEN WE pass on to the ninth paragraph where the statement is made that *"there is nothing the Chinese would welcome more than foreign intervention."* This, in our opinion is the most glaring mis-statement of fact that appears in the entire letter and shows an utter ignorance of what is taking place in China today. There are, of course, a few Chinese in the foreign settlements of the compradore class who have business relations with foreigners who might welcome foreign military intervention from a purely personal and selfish standpoint, but this sort of opinion counts for less than nothing from the standpoint of Chinese public opinion generally. Two prominent foreign visitors to China, recently, Senator Hiram Bingham and Sir Frederick Whyte have both warned the foreign residents of Shanghai against the acceptance of "compradoric" opinion as genuine Chinese opinion, but apparently the writer of the letter has swallowed it completely. He probably thinks that because his compradore, who apparently is a "good Chinese," favors foreign intervention, that all Chinese are in the same catagory. This about exhausts the subject excepting the statements that the *"Nationalist Party is absolutely finished"* and the further allegations that the Nanking Government collapsed when Gen. Chiang Kai-shek retired. Succeeding events have shown this statement to be incorrect so it is not necessary to waste words in refuting it. It is true that some members of the Nanking Government retired when Gen. Chiang Kai-shek resigned his position, but none of the executive officials of the Government resigned and within a week the Nanking Government met and defeated Gen. Sun Chuan-fang in one of the hardest fought battle of the year. One would think that anyone in Shanghai who reads the newspapers, would be familiar with these developments, hence the only interpretation which we can place upon the motive of our letter-writing friend, is that he was deliberately trying to mislead his business acquaintances in the United States as to the actual facts in the situation.

READERS OF *The Review* who have followed us thus far, have probably reached the conclusion that the writer of the letter to which we have devoted so much space, is a Shanghai "die-hard" and a living exemplification of what Mr. Arthur Ransome of the *Manchester Guardian* so fittingly designated as the "Shanghai Mind." If the writer of the letter had stuck to an explanation of trade conditions with which he is familiar, he would have been on solid ground and his letter would have corried conviction even in circles where persons disagreed with his conclusions. But when he ventured into the realm of politics and attempted to explain the Nationalist Movement, he naturally blundered seriously and of course discredited himself as an authority on Chinese affairs. It is this sort of propaganda which has, as stated earlier in this discussion, tended to discredit the position of the foreign merchant in Shanghai who is only able to attribute the basest possible motives to movements which are thoroughly understood by intelligent thinking people all over the world. Sir Frederick Whyte, who was recently in Shanghai, performed an excellent service for his own British nationals on this point when he told them when writing home or sending resolutions to the home government regarding conditions in China, that they could immensely strengthen their arguments by admitting that a revolutionary situation is prevailing in China. The difficulty with the sort of criticism embodied in this letter rests in the fact that it offers nothing constructive. It simply declares that trade is had owing to the political situation and the political situation is bad owing to the activitles of a "small minority which is interested only in hard cash. The only recommendation made is a "strong policy which would restore observance of the old treaties," a manifest impossibility even though the Powers were in a position to station a million foreign troops in China in an attempt to reduce the country to the status of a colony.

The Future of British Trade in the Yangtsze Valley

IN THE BRITISH Commercial Attache's analysis of conditions affecting British trade along the Yangtsze which appeared in the *North China Daily News*, the official British organ, on November 12, he made this statement:

> *"It is unnecessary to enlarge on the serious effect which such a situation must have on the financial position of all British firms interested in trade on the Yangtsze, and the only question that arises is how long will it be possible for these firms to stand the strain?*

Then a little further along, the Commercial Attache declared that:

> *"The handicaps under which British trade are suffering are mainly due to certain obvious general conditions arising from the present political situation in this area, and little hope can be felt for any substantial improvement until there is some indication of a moderately stable and efficient administration arising from the present chaos."*

THESE statements, in our opinion, are the most significant which we have as yet seen from any official source, regarding the position and prospects of British trade in the Yangtsze Valley, obviously Britain's most important field in China. And the statements were not based upon hearsay evidence for Mr. Brett had just completed a trip from Shanghai to the upper reaches of the Yangtsze and return. He was accompanied by several representatives of leading British business houses which have their headquarters at Shanghai. The report is too voluminous for reproduction in full but the following summary indicates the tone:

Chinkiang—Foreign population residing in hulks and launches and unable to move more than a few yards from the shelter of the gunboats.

Nanking—All British properties, with the exception of the International Export Company which is garrisoned by British Marines, is wrecked and in possession of the Chinese with business absolutely at a standstill.

Wuhu and Kiukiang—Position here slightly better, but constant troop movements and entire absence of any effective civil authority renders position at both places extremely precarious; local authorities seem to be doing their best to destroy all possibility of trade by extortionate and irregular taxation.

Changsha—Conditions here some better owing to military action against communist and other agitators, but Hunan province has been thoroughly looted by successive armies and forcible imposition of a worthless paper currency, which has forced banks and substantial merchants to close their doors.

Ichang—Conditions similar to Changsha with hopeless currency situation and people impoverished by military exactions and bandit raids; little or no inducement for any British firm to consider resumption of business.

Wanhsien—Local poulation inclined to be hostile; military governor, Yang Sen, showed no indication of a readiness to welcome a return of British shipping to the Upper River; population still agitated on account of British bombardment and shipping resumption impossible without naval convoys.

Chungking—Best of a bad lot owing to lack of currency problem and friendliness on part of local population, but political situation in province so unstable as to destroy all confidence.

Hankow—Conditions more cheerful and limited business being transacted but many millions of heavily depreciated notes.....remain an insuperable obstacle to the resumption of trade on normal lines; labor situation most unsatisfactory, the authorities having made no real effort to control the extremists, making it practically impossible for factories to carry on work; every likelihood of further political complications; almost entire absence of confidence and security.

In conclusion Mr. Brett stated that the reopening of certain Yangtsze ports which had been evacuated "might have modest results" but on the other hand, "they go but a very little way towards solving the problems of Shanghai (British) firms whose future is so largely dependent upon the re-establishment of normal trade conditions on the Yangtsze. However, leaving aside such questions of high politics as *international intervention* in China any real revival of trade in this area is dependent upon the restoration of some measure of confidence and security, which in their turn pre-supposes the establishment of a reasonably stable government, and that foreign action of a partial and local character can do little or nothing to hasten this development."

THE SERIOUS situation which faces British trade in the Yangtsze area, also affects the trade of other nationals, but not so seriously as it affects the British. The manager of an important American firm with business extending throughout the same region recently explained to the writer that the difference between the British and American position was that in cases where the British losses had been 100 percent, the American losses had only been from 25 to 50 percent. The same probably applies from the standpoint of the Germans and their trade in this area. The position of the Japanese is practically unknown outside of official Japanese circles, for while it is known that the Japanese have suffered severely, they have immediately gotten back on the job at practically every port. Practically all Japanese nationals have returned to the various Yangtsze ports and the Japanese Government has arranged to finance them for a new start through the granting of loans at low rates of interest without any obligation to return principal for five years and from then on over a long period of years in small annual payments. The Japanese certainly are not planning to relinquish their Yangtsze trade; on the contrary they are very definitely planning to take advantage of British adversity by resuming activity in competitive lines, particularly the cotton goods and yarn trade.

THE FUTURE position of British trade in the Yangtsze Valley thus becomes a matter of interesting speculation. Heretofore the British merchants have enjoyed a practical monopoly of this area in both trade and shipping and while British shipping is still maintaining its own, the same cannot be said regarding their trade generally. The British Asiatic Petroleum Company, subsidiary of the Royal Dutch Shell, for instance, has lost tremendously to its American competitors, for while there has been a considerable decrease in the total volume of oil sold, the American companies are said to have suffered only slightly in comparison with the losses of the British company. Some of the smaller American oil companies are even said to have increased their business in this area over previous years due to their falling heir to the business previously done by the British company. We are not familiar with the situation prevailing in the cotton goods trade, but we imagine that somewhat similar conditions prevail in respect to Japanese competition. It is reported that certain American and German firms have been able to do some business in British textiles by alteration of marks showing country of origin in order to get around Chinese prejudice against British goods, but this does not apply in respect to Japanese com-

petition, for the Japanese push their own goods, products of Osaka and Shanghai mills. The situation is also not clear in the British machinery trade where American and German competition comes in, but on the face of things where the market is free and prices are equal it stands to reason that British firms are likely to have a hard time of it in selling to Chinese under present conditions. One American merchant familiar with this trade recently declared that the British trade in machinery lines has largely been narrowed to interests where they possess a monopoly such as the Shanghai-Nanking Railway and the Shanghai Municipal Council and in construction enterprises such as the Shanghai Customs building which are British controlled.

ON NOVEMBER 14, *Reuters*, the British news service carried a story from London to the effect that a umber of prominent British industrial leaders with interests in China had warned their Government against a "weakening of existing safeguards in China." The *Reuter* message stated that they had written a letter to *The London Times* on the question to the following general effect:

> "The letter declares that until Chinese Nationalism is able to furnish more evidence of constructive and administrative capacity safeguards of British trade ought not to be further weakened. It draws attention to the ill-effects of the dissolution of the Concession at Hankow and expresses the opinion that the safeguards represented in the other Concession ought to be maintained and that the negotiations for a change in the status of the Concession at Tientsin should be discontinued, while other safeguards, like extraterritoriality, foreign administration of the Customs rights and facilities regarding the sale and purchase of goods in the interior and the riverine and coastal carrying trade should be upheld. Abandonment of these safeguards and rights, it adds, would be more dangerous to British trade even than a boycott."

Those who signed the letter expressed the opinion that the retention of these safeguards would still leave ample scope for the "prosecution of a liberal policy toward China and for the Nationalism of the Nationalists to prove its qualities." They expressed themselves as favorable to increases in China's import tariff and favored the recommendation of the Extraterritorial Commission, including taxation, and favored inviting the Chinese at Shanghai to share the foreign administrative responsibilities." The reference to the "ill effects of the dissolution of the British Concession at Hankow" and recommendation that the "British Government should administer the former Concession until the Chinese are willing and able to carry out the Chen-O'Malley Agreement," was particularly unfortunate for Mr. Brett, the British Commercial Attache in China, had just reported that the changed status of the Concession "had only contributed in a minor degree to the loss of British trade at that port," due to the fact that practically all of the British-owned factories and warehouses are located outside of the area anyway.

IT IS therefore perfectly evident that the future prospects of British trade in the Yangtsze Valley are not bright, for while the British Commercial Attache here says that British trade is suffering from "certain obvious general conditions arising from the political situation," the British industrialists at home are urging the Government not to make any further concessions and to "maintain existing safeguards." The British are thus between the devil and the deep blue sea for if they "maintain existing safeguards," they continue to antagonize the Chinese, which has the ultimate effect of making the Chinese more radical and more determined to destroy the British position entirely. Those familiar with political conditions prevailing in the Yangtsze Valley at this time must be fully aware of the fact that the present "moderate" Nationalist Government is being attacked on the basis of "pro-foreignism" which is likely at any time to cause a complete readjustment and resumption of power by the radicals. By refusing to make any further concessions on the matter of treaty adjustment, the British are thus unconsciously undermining the influence of their friends among the Chinese who would like to give the British a chance to resume their trade. It is fairly evident that the final result of the present Chinese political upheaval will be to break down the British monopoly position in the Yangtsze area, for we cannot see how the ultimate aims of the Chinese Nationalists can be adjusted to include a British trade and shipping monopoly on the Yangtsze River. The British have got to make adjustments and this means the placing of their business more and more in the hands of the Chinese, which, of course means that it ceases to be British business and become Chinese business. British troops may be used to protect their factories located in Chinese areas such as they are now doing with some factories in the Pootung section of Shanghai, but the troops protect the buildings and equipment only: they can't force the Chinese laborers to keep on operating the machines and they can't force the Chinese to purchase the output of the factories.

WHEN ONE considers the British position from the standpoint of the people at home who are dependent upon this trade for their livelihood, there can be naught but sincere regret at what is now happening to the British trade structure in China. But when the situation is considered from the standpoint of local "die-hard" interests in China, there can be little regret, for the trouble has been largely of their own making, dating back to the May 30 incident of 1925 and succeeding incidents down to the present and including the present attitude of the Shanghai Municipal Council and the official British press in China. It would seem that about the only course open for the British now is for the home Government to take the matter in hand and through an unequivocal declaration addressed directly to the Chinese people explain exactly what the British Government is willing to do in respect to treaty revision. The previous declarations have always been addressed to the Powers rather than to the Chinese, hence have not carried conviction, the Chinese generally having little more confidence in these declarations than they have had in previous declarations on treaty revision during the past quarter century. From the standpoint of the deadlock in respect to the so-called Shanghai question, the British Government should also take this matter in hand and solve it without regard to the Shanghai Municipal Council, which has no intentions whatever of trying to solve the problem on its own initiative and which has no regard whatever for the fact that the unsolved Shanghai problem constitutes a disturbing element in the relations of the Chinese and British peoples. British firms interested in the trade of the Yangtsze Valley should readjust their methods of doing business either by incorporation under Chinese law, taking the Chinese into partnership, or in some other way that would eliminate the present "compradoric" system of doing business.

Then finally there is the necessity for a complete change of attituate on the part of Britons (and other foreigners as well) toward the Chinese people and their problems, which means a recognition of China's nationalistic aspirations and a wholehearted honest effort to assist the Chinese in the attainment of them!

Nationalists Impose Stamp Taxes

The following is a translation, distributed by the *Kuo Min* News Agency of the full text of the Provisional Regulations governing the Stamp Tax, which have just been promulgated by the Nationalist Government:

Article 1. To contracts, accounts, books and certificates as enumerated in these Regulations, and to the special articles labelled as Class 4, stamps shall be affixed, in accordance with these Regulations, in order that they may become valid evidences.

Article 2. The articles mentioned in Article 1 are to be divided into four classes; and the rates of the taxes shall be regulated as follows:

Class A. This class shall include the following 15 kinds of articles: (1) Invoices; (2) Warehouse receipts, and receipts issued against documents; (3) Contracts of hire and rent of articles; (4) Mortgage deeds or certificates of pledges and securities; (5) Contracts of lease of farmlands; (6) Pawn tickets of value, exceeding $4; (7) Contracts of employment. To the above seven kinds, a one-cent stamp shall be affixed.

(8) Certificates against goods issued by shops; (9) Contracts of lease and transfer of shops; (10) Certificates of sales and orders of goods; (11) Contracts of lease and rent of houses and rent receipt. (12) Contracts of all kinds of business undertakings; (13) Receipts of money paid. Of the above six kinds the rates of the taxes, according to the value thereof, shall be fixed as follows:

Value of Article	*Rate of Tax*
From $1.00 to $10.00	One-cent stamp
From $10.00 up	Two-cent stamp

(14) For cheque books, and pass books, a ten-cent stamp for each year shall be affixed. (15) For all kinds of account books, a ten-cent stamp for each year shall be affixed.

Documentary Taxes

Class B. This class shall include the following 14 kinds of articles: (1) Bills of lading; (2) All kinds of contracts of tender; (3) Insurance policies; (4) Certificates of guarantee; (5) Certificates for deposits of money; (6) Certificates of stocks and shares; (7) Exchange receipts; (8) Money orders; (9) Bank cheques and native exchange shop cheques of similar nature; (10) Certificates of legacies and inherited properties; (11) I. O. U.'s or receipts against money loans; (12) Contracts or articles of association of shops and companies for joint business undertakings with joint capitals; (13) Contracts of sales and mortgages of real properties; (14) Certificates of purchases of government properties. Of the 14 kinds of articles enumerated above, the rates of the taxes shall be regulated according to the value of the articles as follows:

Value of articles			*Rate of Tax*
From	$1.00 to	$10.00	One-cent stamp
„	10.00 „	100.00	Two-cent stamp
„	100.00 „	500.00	Four-cent stamp
„	500.00 „	1,000.00	Ten-cent stamp
„	1,000.00 „	5,000.00	Twenty-cent stamp
„	5,000.00 „	10,000.00	Fifty-cent stamp
„	10,000.00 „	50,000.00	$1.50 stamp

No proportionate additional tax will be levied for any sum above $50,000.00.

Class C: This class shall include the following 45 kinds of articles: (1) Passport to foreign countries for travel, ($2 stamp). (2) Passport to foreign countries for study ($1.00 stamp). (3) Passport for inland travel in China ($1.00). (4) Passport to foreign countries as laborer ($1.30 stamp). (5) Huchow of luggage ($1.00 stamp). (6) Huchow for bullion transportation ($1.00 stamp). (7) Complimentary passport. (8) Tszekow bills and Sun-lia bills Certificate Taxes ($1.50 stamp). (9) Certificate of qualification for civil service officials ($1.00 stamp) (10) Certificate of qualification for higher officials ($2.00 stamp) (11) Diploma issued by colleges and universities ($0.50 stamp). (12) Certificate of attendance in college and university, and certificate of transfer ($0.10 stamp) (13) Diploma issued by High Schools ($0.30 stamp. (14) Certificate of attendance in high schools and certificate of transfer ($0.40 stamp). (15) Certificate of attendance of colleges and universities in foreign countries ($1.00 stamp). (16) Certificates of qualification to teach in primary schools ($0.40 stamp). (17) Certificates of records of teachers, qualified by examination. (18) License to practice medicine ($1.00 stamp). (19) Certificate of interpreter ($0.50 stamp). (20) Statement for application of Chinese citizenship and letter of guarantee ($0.50 stamp). (21) Petition for Chinese citizenship ($1.00 stamp). (22) Certificate of grant of Chinese citizenship ($2.00 stamp). (23) Certificate to send press telegrams ($1.00 stamp) (24) Petition to government offices ($0.10 stamp). (25) Marriage license. ($0.40 stamp). (26) Title deed, which shall be taxed, according to the number of mows of land:

Number of Mows of land	*Rate of taxes*
Below 5 mows	Three-cent stamp
From 5 to 10 mows	Six-cent stamp
From 10 to 50 mows	Thirty-cent stamp

(27) Receipts of savings issued by Savings Societies (1 cent stamp). (28) Personal bonds ($0.10 stamp). (29) Contract of suretyship and guarrantee ($0.20 stamp). (30) License for business enterprises with machines motivated by electricity, steam, water and fire powers; and for companies engaged in steamship navigation, motor-car and bicycle sale. The rates of the taxes for these licenses shall be divided into three grades (A,B, and C) according to the size of the capital:

Size of the Capital	*Rate of taxes*
From $10,000 up	A. $3.00 stamp
From $5,000 to $10,000	B. $2.00 stamp
Below $5,000	C. $1.00 stamp

(31) License for steamships, motor-boats and motor-cars. (For those whose price is above 1,000, a $2.00 stamp shall be affixed; for those whose price is below $1,000, a $1.00 stamp shall be affixed.) License for bicycles. ($0.20 stamp) (32) All kinds of business licenses. The rate of the taxes shall be fixed according to the size of the capital, and is divided into seven grades, *i. e.*, A, B, C, D, E, F, G.

Capitals				*Grade:*	*Rate of Tax*
Above $50,000				A	$2.00 stamp
From $10,000	and below	$50,000		B	$1.00 „
„ $5,000	„	„	$10,000	C	.50 „
„ $1,000	„	„	$5,000	D	.20 „
„ $500	„	„	$1,000	E	.10 „
„ $100	„	„	$500	F	.04 „
			$100	G	.02 „

License Taxes

(32) License for hotels and inns. (For those with a capital of $5,000, a $2.00 stamp shall be affixed; for those with a capital above $1,000 and below $5,000, a $1.00 stamp shall be affixed, and for those with a capital below $1000, a $0.50 stamp shall be affixed.) (33) Special permit to recruit laborers for work. ($4.00 stamp). (34) Ricshaw license ($0.10 stamp). (35) Private ricshaw license ($.30 stamp). (36) License for sedan-chairs and carriages ($1.00 stamp). (27) License for trucks, carts and lighters, ($0.20 stamp each). Wheelbarrow license is exempt from stamp tax. (38) License for sing-song girls houses. (The rate of taxes is divided into three grades: Grade A, $3.00 stamp; Grade B, $2.00 stamp; and Grade C, $1.00 stamp). (39) License for small boats and crafts for transportation of commercial commodities ($0.10 stamp). (40) License to open mines. (The rate of the taxes shall be fixed according to the numbers of mows of the mine area.

Number of mows	*Rate of taxes*
Above 50 mows	$2.00 stamp
Above 50 mows and below 100 mows	$5.00 stamp
For every 100 mows	Additional $5.00 stamp

(41). License for wine and tobacco business. The rate of taxes shall be divided into four grades: Grade A. $1.00 stamp; Grade B. $0.50 stamp; Grade C. $0.20 stamp; and Grade D, $0.10 stamp. (42). Permit for inland trasportation of cigarettes and foreign wines. ($0.40 stamp). (43). Special permit to engage in particular trades (Hong-Tieh) The rate of taxes shall be divided into three grades: Grade A. $2.00 stamps Grade B. $1.00 stamp and Grade C. $0.50 stamp. (44) Ticket of theatres and amusement houses. (For ticket with a price above $0.50, two-cent stamp shall be affixed. (45). Ticket for calling sing-song girls ($0.10 stamp)

"Wine" Taxes

Class D. This class shall include the following four kinds of articles: (1), Foreign wines (A stamp tax of 30% ad valorem will be levied. This tax is to be collected by the Wine and Tobacco Tax Bureau. For every hundred catties, a stamp tax of $12.00 shall be levied.) (2). Soda-water, (For every dozen bottles of imported soda-water, there shall be levied a stamp tax of two cents, and for every half dozen, a stamp tax of one cent.) (3), Soda-water of native manufacture. (The rate of the taxes will be half of that levied of foreign products). (4). Fire-works. (A stamp tax of 20% ad valorem will be levied. The operation of this regulation is to be suspended for the time being).

Article 3. Of all kinds of government documents, contracts, accounts and certificates, no stamp tax a shall be levied; but for government papers which partake of business nature, the above regulation shall be enforced as in other cases.

Article 4. Of all kinds of documents to which stamps shall be affixed, stamps shall be affixed according to the above regulation before transaction or delivery; the stamps affixed shall at the same time be "chopped" by seal.

(Continued on page 340)

Where Were the Brave Instigators?

To the Editor, *The China Weekly Review*:

Sir:—We have just received the Shanghai papers up here, and obtained the accounts of the attack upon the Soviet Consulate on the tenth anniversary of the November revolution. There is, however, a most extraordinary lack of information on some points. Who were the men who were killed and wounded? I do not happen to see the names of any of the brave gentlemen who have been advocating this action in the columms of the *North-China Daily News*, among the dead and wounded.

This is strange. Here is a group of men who have for months or years been openly advocating an armed attack upon the Soviet Consulate, who have done their best, by the most violent and inflammatory appeals, through the *North-China Daily News*, *Russia*, and other papers, to work people up to "clean out the Red nest on Whangpoo Road." And yet, in the hour when they have achieved success, when they have finally inspired a mob of thousands to attack the "Red beasts," they are not there to actually lead this heroic attack upon the civil service employees of the present Russian Government. The mob breaks into the Consulate, is naturally and properly met by a hail of bullets, and leaves more rapidly than it entered,—those who can. But where are the dauntless leaders? Where are the noble and high spirited gentlemen who worked up the mob to attempt this deed? Are they lying wounded or dying in the doorway?

Perish the thought. Strange as it may appear, these honorable men were most conspicuous by their absence when the attack actually came, when the glorious event for which they have so long striven actually reached fulfilment, and an "avenging mob" smashed open the door of the Soviet Consulate in Shanghai and broke into the building. I understand that it has been the practice in Russia, as in some other countries, for the generals to sit back and send their loyal soldier dupes ahead to do the fighting. Have you been witnessing a last surviving flame of Imperial Russia in Shanghai? It seems a most unfortunate thing, if so. How wonderful it would have been if the brave leter-writers to the *N. C. D. N.* and other fearless foes of the "Red terror" had been in the front rank. It would have looked much better, and would probably have achieved much more. Everyone, I think, would have been better satisfied, even the Bolsheviks, though the correspondence columns of the esteemed *North-China* might have suffered from a paucity of material for a while and *Russia* would have had to find some new editors.

Soft-Hearted Police

Here in Tientsin, of course things are different. The Soviet Consulate here is in Chinese territory, and though there were some "White" anti-Soviet meetings here, and some shots were fired at the Consulate, there were many Chinese police on the job, and no serious disorder or injury. Of course, we would not expect the Shanghai Municipal Police to be as efficient as the Chinese police of Tientsin in quelling riots and disorder, particularly with the staff of intelligent and soft-hearted foreigners on the Shanghai police force, who naturally could not bring themselves to use violent methods on a well-meaning crowd whose innocent desire was merely to smash and loot a Consular building situated in the International Settlement,

And yet there have been times when the Shanghai police were not so soft-hearted. I was going out Nanking Road to a ball game on Memorial Day, 1925, and I heard a volley of shots in the distance. There was a great crowd around Chekiang Road, and working my way through, and approaching the Louza Police Station, I saw about twelve or fifteen bodies lying on the sidewalk and on the street in front of the Station. I went over and looked at them, in spite of the warning of a police officer. They were youngsters of from fifteen to eighteen years, mostly well-clad, apparently students or shop assistants. Some of them were moaning piteously as they lay, bathed in blood. Red blood ran in a rivulet along the gutter. A child of about fifteen was crying horribly, his back soaked with blood. And across the street, as I went over, a young foreign inspector was smiling to a couple of acquaintances,—"Oh yes, we got them all right. They won't try it again."

Freedom of Press

But now, so much has the temper of the Shanghai police changed, that they permit a mob gathered from the slums of the city, a violent and dangerous mob armed with stones, clubs, and many undoubtedly with more deadly weapons, to get together right in the center of the city, to throw stones and smash windows, and finally to invade a foreign official building, being repelled only by the prompt and resolute action of the inmates, who fortunately showed themselves capable of doing their own policing, where the Municipal Police fell down on the job.

In the meantime, I wonder if the *North-China Daily News*, *Russia*, and similar publications will still be permitted to paint inflammatory appeals to murder and outrage, appeals such as would not be permitted in any other city in the world. It is these appeals, of course, that are responsible for such outbreaks as that of November 7, and in the United States men have been hung for making inflammatory appeals which have led, directly or indirectly to shooting and killing. The freedom of press which exists in Shanghai is quite extraordinary,—for some papers.

And to these gentlemen who are so anxious to "clean out" the Soviet Consulate, and have so long been advocating it, I wish as a psychologist to give them a little professional advice: Follow your impulses. Suppressed desires find a distorted outlet, and play hell with one's mental and nervous system. If you really have such an irrepressible yearning to smash up the Soviet Consulate,—OBEY THAT IMPULSE. That will convince people of your sincerity, and everyone, I am sure, will give you a splendid obituary notice. I certainly will.

Tientsin, Nov. 14, 1927. AMERICAN

Lutheran Missionaries Returning to Honan Province

Rev. John L. Benson, M. A., of New Haven, Connecticut and Rev. Nels Benson of St. Paul, Minn., members of the American Lutheran Mission which conducts Mission schools and hospitals in Honan province and at Hsuchowfu in Northern Kiangsu province arrived in Shanghai this week and are departing immediately for Chengchow, Honan for the purpose of reopening the missions which were closed last spring. There are about fifty members of the American Lutheran Mission who are stationed ordinarily in Honan province and in the event conditions are satisfactory, they are planning to return to their stations in the near future.

University Club Establishes Chinese History Course at American School

A committee of the American University Club composed of Charles E. Patton, John Y. Lee and J. C. McCracken, has sent out a circular to Chinese and American members of the organization asking their contribution toward a fund of $400 which is to be used to defray the expenses of maintaining a course in Chinese history at the Shanghai American School. The course was established two years ago and the expense heretofore has been contributed from the Club's treasury, but owing to a reduction in the annual dues from $4 to $1 a year, it is now necessary to make up the fund through private contributions. The course in Chinese history which is conducted by Miss Margaret H. Cressy includes class-room instruction in Chinese religion, fola lore, geography, early relations with Rome and ancient Asik and Europe and in addition there are special lectures dealing with Chinese poetry, trade relations, business methods, banking and so on.

The Mystery of the British Troop Movements on the Yangtsze!

The *Shanghai Times* on Nov. 18 published a story to the effect that one section of Machine gunners and "D" Company of the Bedford and Hertfordshire Regiment, numbering about 350 men had sailed on the British cruiser Vindictive for Hankow where they were to replace Royal Marines in protecting British property at that place.

The next day, however, the *Times* reported that the announcement of the previous day was incorrect and that the troops were being sent to Nanking instead of Hankow and were to be used in the protection of British property at the Nationalist Capital.

The sending of the troops up the Yangtsze where Marines have been used previously, naturally started rumors that the British Government was planning to re-occupy the British Concession at Hankow. However, this rumor was dispelled by a *Reuter* dispatch published in Shanghai on Nov. 19 which quoted the Under-Secretary of State for Foreign Affairs as saying that "the Government did not intend resuming control of the Concession unless this course was forced upon them."

But before this item could appear in print the Japanese *Toho* News Agency sent out a story from Peking which quoted "British Legation Authorities" in Peking as saying, "By the request of the British Consul-General at Hankow, the British Government has ordered part of the British defense force at Shanghai to proceed up the Yangtsze in order to prepare against any emergency." The Japanese report stated that the troops would not be landed at Hankow and would be withdrawn as soon as order was restored, "but that the British Government was deliberately considering the matter of nullifying the Chen-O'Malley Agreement."

However, the British Legation officially announced on the day following this report, that no such interview had been granted and the report was incorrect.

U. S. May Outstrip All in Far East Trade!

BY H. S. LIANG

The possibility that America's trade in the Far East and especially in China will soon outspeed and outstrip that of other foreign countries and on other continents, South America included, is envisaged by Dr. Jeremiah W. Jenks, Ph. D., and LL. D., president of the Alexander Hamilton Institute and research professor of government, New York University, in an address before the annual convention of the National Association of Manufacturers.

"Since Secretary Seward bought Alaska for the United States in 1867," Dr. Jenks said, "the minds of most Americans have turned to the Pacific and the West, with the thought that that was to be our coming market. Since that time also we have noticed an ever-increasing development in the growth of our trade with the Far East. The figures show, especially of late years, an increase by leaps and bounds, and it takes only a mildly prophetic eye to see our Far Eastern trade, especially our trade in China, outspeed all others, We have only to consider the needs for their products to see just how that trade is going to develop. Man's wants are the cause of trade. The more men there are, the more needs there are and the greater the trade.

Vast Oriental Populations

"When we consider the population of the Far Eastern countries, with the 400,000,000 of China, the 60,000,000 of Japan, the 12,000,000 of the Philippines, together with the millions in the Dutch East Indies and Singapore, and even India, we can see how gigantic the possibilities are.

"Modern China may be said to have begun in the year of 1890, the Chinese not showing any special signs of a desire for Western commodities until that date. China's total foreign trade (imports and exports) increased from about $91,000,000 in 1865 to $115,000,000 in 1895 (assuming $75 per Haikwan tael for these two figures). By 1915 it had increased to $550,000,000, and in 1926 had reached a grand total of $1,832,726,000. It will be seen from these figures how rapid this growth has been.

Change in Character of Trade

"The change in the character of the trade is even morp noteworthy than the growth in volume. In 1880, for example, the imports of China consisted of opium, 40 per cent; cotton piece goods, 30 per cent; metals, 5 per cent; whereas in 1925 the imports, amounting to about $800,000,000 gold, consisted of cotton goods and cotton yarn, 9 per cent; raw cotton, seven per cent; kerosene oil, 7 per cent; metals, 4 per cent; tobacco and cigarettes, 4 per cent. Opium had dropped out of China's legitimate imports completely. Kerosene imports, which had amounted to 3,500,000 gallons in 1880, reached in 1925 a total of 258,000,000 gallons. By 1925 a total of the main commodities was only 37 per cent of the whole (less than the opium alone in 1880), the remaining 63 per cent being made up of a great number of the articles that contribute to the necessities of modern economic life.

"The exports of China show a somewhat similar change, with a total of $650,000,000 gold for 1925, consisting of raw silk, 20 per cent; beans and bean products, 18 per cent; raw cotton, 4 percent; skins, hides and fur, 4 per cent; peanut and peanut products, 3 per cent; the remaining 51 per cent was made up of such varied exports as egg products, tungsten, antimony, vegetable oils; with tea no longer an export factor of first importance.

"In the earlier years Great Brittin had an overwhelmingly predominant place in China's trade, but in recent years the United States and Japan have been rapidly crawling up.

U. S. Predominant in Some Lines

"The United States is especially predominant in two or three particular lines; in petroleum, for example, and softwood lumber, cotton piece goods and automobiles. It is also a fact that American canned goods are rapidly increasing in use in China, as well as fresh fruits and vegetables from the United States in spite of the fact that China has a remarkable selection of vegetables and fruits. In 1925 almost 30,000,000 boxes of American oranges were imported into Shanghai alone. American flour has also become one of the important imports.

"It is evident from these facts that the trade with China is rapidly increasing. A much greater increase in trade with that country and the Orient at large is to be anticipated, coming from an increasiug population, added wants and desires of the people, and especially perhaps from added purchasing power.

"At the present time the purchasing power of China for foreign goods is about $2 per head a year; whereas Great Britain's purchasing power is about $147 per head a year. We can see that there is still very great chance for an increased standard of living in the Far East, which is certain to increase greatly our exports there, and with our exports will grow also doubtless our imports."

Detroit, Mich., U. S. A., October, 1927.

The Problem of the Mission Schools

BY V. D. ONG.

REVOLUTION, like a storm, always leaves its wrecks. Truly, before construction can begin, destruction must have its temporary sway. The present Nationalist Revolution, after years of patient and deliberate planning, has commenced its task of knocking down all the corrupting as well as corrupted influences and institutions of this ancient land of ours. In the track of its tornadic journey we find the debris of the schools owned and operated by foreign missions. Branded as centers of cultural encroachment, they are rated among the other weapons of the imperialists, and as such, should be wiped out of existence. Consequently, before the onrush of the revolutionary tide, some have been wrenched from their foreign operators and placed under Chinese control and many compelled to close their doors, while those that survive are having a strenuous struggle for bare existence. In fact the question of the mission schools forms quite a delicate diplomatic issue the new government has to deal with.

Now what have the mission schools done or what have they not done that they should be exposed to such public execration? There is many a successful man in business and the professions who owes his prosperity to the few years he once spent in some mission school. Mission schools have produced honest merchants, able organizers, ardent social workers, and efficient housewives. Moreover, the mission schools have been the main channels through which the western ideas of democracy have been introduced into China. And yet they are regarded with an eye of distrust. One cry of "Down with cultural encroachment" from somebody and they slammed their doors with ominous expedition. Certainly there is a reason to account for the milk in the cocoanut.

Chinese Do Not Readily Take to Christianity

The outstanding cause of the unpopularity of mission schools is the evangelistic work they perform. Operated and suported by missions, their only purpose is generally assumed to be the preaching of Christianity; and, whatever the merits or demerits of this faith, China is a poor soil for its growth. As a purely philosophical system of teaching, it has but little chance to convince the educated class, who ridicules the simplicity of the language into which the Bible is usually translated before they take the trouble to go into its underlying meaning. To the general masses, Christianity presents too many points of conflict with the centuries-old practices and beliefs among which the Chinese are brought up. While the Chinese at large are conspicuously lacking in national spirit, they are exceedingly vigorous in their support of their own traditions and customs. While they readily give up their wooden shoes for a pair of rubbers they are loath to abandon the teachings of their sages. Little wonder, then, that the mission schools are made the object of popular wrath.

Their Curriculum Is at Fault

A second reason may be found in the curriculum of the mission schools. Little attention is usually paid to subjects, like Chinese history, Chinese literature, civics,—subjects which are generally conceded to nurture the love of country. In a country like China, where national ideas have but a feeble existence, the system of education should be directed toward the development of a healthy spirit of nationalism along with intellectual and physical development. The example set by Japan furnishes overwhelming evidence. But it is a regrettable fact that most mission schools ignore this. Perhaps the idea of teaching foreign students to love their country is repugnant to foreign educators. This is about the greatest blunder they have ever made. Their students are given the opprobrious appellation of "foreign slaves." It may be very hard upon them to be so styled, but the painful fact remains that many of them are not far from being what the sobriquet signifies. They speak foreign languages enviably well, but cannot write a letter in tolerable Chinese to save their lives. They know no more about Chinese history than does any foreign resident in Shanghai. Such members of society certainly do not make desirable citizens of China! But who is to blame?

Foreign Instructors Share Some of the Blame

Thirdly, the foreign instructors should shoulder some of the blame. Not that they are incompetent for their pedagogic work, but that they do not understand the Chinese people.

It is one thing to lecture on economics or sociology before a class of foreign students, it is another to manage, or to deal with, them. The writer knows of two foreign medical practitioners here in this city (Ningpo). One mixed freely with the natives, spoke their dialect, and acquired, consciously or unconsciously, some of their mannerisms. His wards were always full of patients, for his name was known almost to every inhabitant of the city. On his death, which took place but recently, he left many sorrowing friends. The other was the exact reverse. He was from head to foot a foreigner and lived like a foreigner. He was seldom seen outside his hospital. It is needless to say he had few acquaintances and patients.

Now most of the foreign instructors in the mission schools are fresh from college and are visiting China for the first time. Full of national pride themselves they evince little sympathy for their foreign students. They frown at any demonstration of patriotism on the part of the students. If it be the bona fides intention of the foreign schools to help China, they cannot render better help than encouraging among the students a wholesome spirit of patriotism. As long as they hold their foreign hands high in the air as a superior race, their services, however useful in other respects, will be of no value and little appreciated.

A Bit of Counsel.

We all hope, and some of us do admit, that the foreign missions, in establishing schools in China, intended to help China. If so, they need not be disappointed by the recent unfortunate occurrences. The discredit thrown upon the mission schools should not be regarded as a sting of ingratitude, but, rather, as an indication that they have not helped China in the right way. If we have blundered before the event, let us be wiser after it.

The fact that some of the schools have abolished compulsory church service is a hopeful indication of the genuine desire on the part of the schools to help our people. It is to be hoped that they will soon realize the real needs of this young republic. Science, the backbone of modern civilization, is almost the only thing about which China has yet much to learn from the West. By adopting an efficient and well-equipped science course and forsaking their former language school character, the mission schools will have a new lease of useful life. By cultivating among the students a spirit of patriotism, they can render a great help to China indeed. On the other hand, if they should adhere to their former system of instruction, sticking to their narrow-minded views, their days are numbered, and they would only constitute another knotty question to entangle the already involved diplomatic relations between China and the other powers.

Ning po, Nov. 15, 1927

Is a British-American Tobacco War Pending?

(*From the Manchester Guardian* (*October 26*)

Although the recent decline on the Stock Exchange in Imperial Tobacco shares has been due in part to the settlement of the estate of a member of the Wills' family which necessitated heavy realisations, the weakness of these and other tobacco shares has been largely due to reports that American interests were about to start a price-cutting war to be concentrated principally on cigarettes. The foundation for these rumors was a report, since confirmed by New York cablegram, that a controlling interest in Wix and Sons, the proprietors of a popular and much-advertised brand of cigarettes, had been acquired by the American tobacco manufacturers.

That nervous holders of tobacco shares were selling was evident from the price movements of the past week. Of the big combine shares British-American Tobaccos fell from 105s. 3d. on October 17 to 101s. 3d on Monday, and Imperial Tobacco shares from, 101s. 6d. to 97s. 6d. Owing to the large capital employed in these businesses, the resultant decline in the total market valuation of the ordinary shares in these companies represented over £10.000,000

London Stock Exchange Sceptical

Despite the selling, many members of the Stock Exchange (writes a City correspondent) remain rather sceptical as to the ability of an extensive price-cutting movement. The previous war in the cigarette market proved highly expensive both to American and British interests and did not produce any conclusive results. It finally led to the allocation of the markets of the world between the interests involved and the formation of the Imperial Tobacco Company of Great Britain and Ireland to operate the British markets.

This undertaking has subsidiary companies operating in the principal colonies and large interests in the British-American Tobacco Company, which deals with export business. Messages from New York now suggest that, while there is no anticipation of a price war, the British-American Tobacco Company has entered the American cigarette market, thus breaking an agreement with American tobacco companies.

Price-Cutting Difficulties

Another reason why the Stock Exchange doubts the probability of a cigarette price war is the existence of difficulties in the way of giving the public higher value than at present with the object of attracting business. The cut in prices, it is suggested, would involve heavy losses if quality were maintained, the manufacturing profits per packet of cigarettes being very small, while the automatic cigarette machines, which have now become popular, stand in the way of price variations.

At the same time an alteration in the number of cigarettes sold at a given price might conceivably necessitate extensive alterations to manufacturing plants. The Stock Exchange takes the general view that having regard to the known financial strength of the leading British tobacco companies an American price-cutting war in this country would be even less likely to succeed than it was formerly, although the effects on tobacco-manufacturing profits might be serious. Tobacco share prices were firmer yesterday morning.

Imperial Tobacco Company's Statement.

The Imperial Tobacco Company issued the following statement yesterday afternoon:—

In answer to inquiries the Imperial Tobacco Company state that they do not regard the reported purchase by an American company of an interest in the business of J. Wix and Sons, Limited, as the commencement of a "tobacco war." The market in this country is, and always has been, a competitive one.

The recovery in tobacco shares was carried farther in the late afternoon, following the issue of this statement. Both Imperial Tobacco shares and British-American shares closed higher on the day.

An Adventure In Salt

The object of this little tale is to point out to the Westerner who wishes to establish a manufacturing enterprise in this country the necessity of doing two things: First, to get his trade-mark registered with the Peking government, for be it remembered that the Nationalists have announced that pending the inauguration of their own trade marks registration organization they will enforce the Peking registrations; and, second, to be sure (if his process of manufacture depends on a chemical or manufacturing secret) that he guards it most carefully.

Salt in China is a government monopoly, just as are tobacco in Japan and Italy, and matches in France. When any article is a government monopoly it is bound to be bad. The salt that the Chinese eat is probably dirtier than the salt eaten by any other people on earth and probably is of poorer quality than that fed to animals in the United States. It is made, lots of it in this neighborhood, from dirty sea water, and it is eaten by the masses just as it is evaporated, dirt and all.

With this fact in mind a certain young Westerner in Shanghai, who has had a chemical education, conceived the idea of setting up a salt refinery. He advertised extensively the fact that although the salt he made cost twice as much as the common dirty variety it was still a "bargain," as it was three times as salty. He got his plant working nicely, he adopted a neat little design for his packages of salt with two "roosters", and after a few months' advertising, he had built up a profitable business. Like every other new venture, this industry required the training of a new staff. The foreman of this particular man's establishment made hay while the sun shone. After he had learned the secrets of the trade, he made more money selling the formula to others than he earned as foreman. In due course also he induced some of his richer friends and relatives to back him up in a venture of his own. As entrance to the salt factory was forbidden, the only way the foreman could arrange for his backers to get a glimpse of the machinery and equipment was to have them dress up as coolies and workmen and work, or pretend to work, for a few days in the salt refinery. Shortly afterwards the foreman and most of the staff with him left. The "two rooster" salt was having very strong competition from the "two geese" salt, the latter being the design which the foreman and his friends had adopted in starting their new factory. In the meantime the original "two rooster" brand sales have dropped very considerably, as the newcomers have radically reduced the price. And the poignant matter about the whole thing is that the "two rooster" man had not observed the formality of registering a trade-mark. As regards prosecuting the foreman for "selling him out" that would be a most difficult thing to prove. But the "two rooster" man has not given up hope yet. He says he can make valuable by-products incidental to the process of salt refining, which only a trained chemist like himself can hope to produce successfully. G. W. M.

Wolfram In The Far East.

BY BORIS P. TORGASHEFF

(Concluded from last week)

During the entire period of the war the total export of wolfram ore went from China to the United States, but beginning with 1922, when the United States introduced a high import duty, in fact a prohibitory duty, all of the wolfram ore was shipped exclusively to Europe; England and Germany. Almost one half of the Chinese production has within recent years gone to Germany.

The general opinion relative to China's wolfram industry is that more than one half of the wolfram deposits known at the present time may be profitably exploited only by operating them on a small scale, because their scattered position makes it impossible to establish a large, well-equipped undertaking anywhere.

The Russian Far East

While little has as yet been done in the Russian Far East with regard to the exploitation of wolfram ore it is found in considerable commercially important quantities, and the industry is capable of development because deposits are concentrated in several points close to the railway line. All of this taken together offers the Russian Far Eastern ores an important role on the world's wolfram market. The importance of these ores is further enhanced by the fact that the deposits of wolfram ore in the Far East are the only sources of wolfram for Russia. Prior to the war Russia consumed not less than 500 tons of wolfram concentrates annually, and these were imported from abroad.

Up to the present time twenty wolfram deposits have already been discovered in the Russian East, of which seven, in Zabaikalia, have been studied more or less. Besides Zabaikalia, there are commercially valuable deposits of wolfram ore found also in the Amur province, in the auriferous basin of the Harga river.

The principal center for wolfram ore in large commercial quantities is the Onon-Borzia region of Zabaikalia, where the main wolfram ore deposits are:

1. Sherlovogorny—13 kilometers from the railway.
2. Malo-Soktuevsky—32 kilometers from the railway
3. Bukukinsky—76 kilometers from the railway
4. Beluhinsky—98 kilometers from the railway.

All of these four deposits are connected with the station Hada-Bulak of the Chita Railway by automobile roads especially constructed in 1916-17.

Geologically the Onon-Borzia region represents an extensive area of folded sedimentary formations of shists, sandstones and conglomerates, belonging to the Palaeozoic period, with interlying strata of effusive rocks and their tuffs. All of the wolfram deposits in this region are connected with violent granite intrusions that broke through the masses of the sedimentary rocks. The deposits occur in the form of a mineral belt running from the south-west to the north-east, beginning from the Sherlovogorny deposit to the south to Ushumunsk, in the north. All of the deposits of this region, without exception, belong to the vein type of hydro-thermal origin. The southern ores of this region are characterized by pocket formation of deposits. In the northern part of the region veins are already found stretching in regular form in a definite direction.

Surveys of the Onon-Borzia region have determined the following wolframite contents of the ore:

Deposit	Percentage of wolfram
I. Sherlovogorny.....	0.5%
2. Malo-Soktuevsky	1.2%
3. Bukukinsky.....	1.0%
4. Beluhinsky.....	1.0%

Of all of the wolfram deposits known in the Russian Far East only the above four deposits have been worked, and these only during a short period of time, from 1916 to 1919. Normally they were worked only during two years—1916 and 1917. In 1918 work was interrupted by civil war, and in 1919 was entirely discontinued.

The following table, borrowed by us from the official publication of the Far Eastern Concession Committee "Mining Concessions of the Far East", Habarovsk, 1925, indicates the quantities of wolfram concentrates, with contents of 70 per cent wolfram oxide, mined at the principal mines of the Onon-Borzia region:

Production of Wolfram in the Russian Far East

Name of mine	Pood-lbs 1915	Pood-lbs 1916	Pood-lbs 1917	Pood-lbs 1918	Pood-lbs 1919	Pood-lbs Total
Bukukinsky..	27 08	890 17	2643 06	690 34	137 00	4388 25
Beluhinsky...	— —	74 37	1344 16	546 32	89 18	2055 23
Soktuevsky..	— —	317 28	1184 26	— —	— —	1502 14
Sherlovogorny	40 —	465 00	297 00	— —	— —	802 00
Total in poods and Russian pounds ..	67 08	1748 02	5479 23	1237 26	226 18	8758 37
In metric tons	1.1	28.6	89.8	20.2	3.7	143.5

(A pood is equal to 16.38 Kilograms)

The above mentioned Russian Concession Committee makes as objective for foreign concessions the deposits in the Onon-Borzia region for the reason that they present the greatest possibilities for organizing the wolfram industry on a largescale.

In the Amur province wolfram ore, in the from of scheelite, has been discovered in large commercial quantities in gold-bearing alluvials on the Harga river, the left tributary to the Selemdja river. According to an analysis made by the laboratory of the Russian Geological Committee, the scheelite contains 78.7 per cent of wolfram oxide.

Remaining deposits of wolfram ore are yet not surveyed, and it is impossible at present to judge of their true commercial value.

However, what is already known indicates that there is woltram ore in the Russian Far East, and in reserves considerable even from the world point of view. The geologist G. I. Stalnoff, in the official publication of the Geological Committee "Useful Minerals in the Far East," 1923, states: At the present time there is no doubt but that in regard to the mining of wolfram ores a brilliant future is in store for Zabaikalia. While the study of Zabaikalia with respect to wolfram ores has only begun, and in spite of the poor equipment at the mines, results achieved have been completely satisfactory and even now it would be possible to extract more than 5,000 poods of ore. It is also unquestionable that the limits of ore-bearing zone will be widened, inasmuch as a comparative study of the wolfram deposits of Russia shows that Zabaikalia according to its reserves of wolfram ore is in a particularly favorable situation."

Japan Proper

In Japan there were discovered and worked for a number of years, with good results, a few deposits of wolframite and scheelite. At the present time, when all known deposits of ore in commercial quantities have become completely exhausted, work has been discontinued, and the statistics of the Japanese Mining Bureau for 1924 and 1925 show no production.

Korea

Within recent years in the northern part of Korea there have been opened a few deposits of wolfram ore, which is now confirmed also by the last report of the Geological Survey of Japan. Certain of these deposits indicate that they may become of commercial importance, and they are now being studied.

The Philippine Islands

According to the Mines Division of the Manila Bureau of Science only one deposit of wolfram ore in the form of wolframite has so far been discovered in the Philippines, on the island of Panay. The true value of this deposit, however, remains unknown for the time being.

Mongolia

In the Russian periodical publication "The Gold Mining and Other Mining Industry" during the period of the war were published data relative to the discovery of considerable deposits of wolfram ore in Mongolia, in the frontier region, adjoining the Onon-Borzia wolfram region of Zabaikalia. Without any definite documentary information on hand it is impossible to judge of the commercial value of these discoveries, but the author happened to have met a couple of competent miners who visited the region and confirm th$ occurence of wolfram in Monglia.

Indo-China

With regard to wolfram ore reserves Indo-China is as yet too little studied, but that which is known brings forth the necessity of giving serious attention to the possibility of developing the wolfram industry in Indo-China. Wolfram ore is found in Indo-China, in Tonkin and in Laos, in the valleys of the left tributaries to the Mekong river. It is found both in mixed tin and wolfram deposits and in pure deposits of wolframite.

At present are being worked only the mixed tin and wolfram deposits in the Pia-Quac district of Tonkin. The mines are technically well equipped and yield annually a few hundred tons of wolfram ore. The minimum wolfram contents of the ore varies between 3.30 per cent and 3.43 per cent.

*For the guidance of the would-be-foreign concessionaires it is published, not only in Russian, but in English and is widely sold abroad.

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COMMERCIAL SAVINGS INVESTMENT

42-529

The mining of wolfram ore in Tonkin progresses rapidly, and the French Geological Survey at Hanoi believes that the mines in Pia-Quac will soon be able to produce from 800 to 1000 tons of concentrates annually.

The above mentioned mines in Tonkin have within the past five year period (1919-1923) yielded an annual average of 2,340 tons of tin and wolfram concentrate, of which wolfram concentrate constituted on the average one tenth, *i. e.* approximately 234 tons. In 1925 the Indo-China Geological Survey registered an output of 110 tons of wolfram ore.

Independent wolfram deposits are as yet not worked, and remain completely unstudied.

North Manchuria

It seems that tungsten ore may be found in commercial quantities in the western part of North Manchuria namely in the Barga region, which is in many respects similar geologically to the Russian Zabaikalia. K. Molchansky, a competent authority on Manchurian mining, mentions, not as yet inspected by experts, discoveries of tungsten in quartz veins in the vicinity of the Manchuli station and of the town of Hailar. In both deposits wolframite is met with in association with molybdenite.

October 20, 1927.

Important Provisional Court Decision

Judge John C. H. Wu at the Provisional Court in Shanghai recently rendered a decision reversing a former decision of the Mixed Court in the case of Rizäeff Freres against the Soviet Mercantile Fleet having reference to damages incidental to a cargo of tea. The merits of the case were not gone into, the whole point at issue being whether the Provisional Court would take jurisdiction. Judge Wu decided that as the ships of the defendant company were the property of a sovereign state local courts should not take jurisdiction.

In giving his decision Judge Wu said:

"On December 17, 1925, the plaintiffs filed a petition in the former International Mixed Court at Shanghai, containing the following allegations: (1) That the plaintiffs are merchants of Persian nationality carrying on business in Shanghai; (2) that the defendant, who is the representative in title of the Russian Volunteer Fleet, is a Russian company carrying on business at 1 Whangpoo Road, Shanghai; (3) that, by agreements in writing made by and between the plaintiffs and the Russian Volunteer Fleet, the latter undertook, for reward, to convey quantities of tea and other goods to Baku, Bukhara, Samarkand, and elsewhere as in the said agreements specified; (4) that it was a term of the said agreements that the said Volunteer Fleet should convey all the said tea and goods in the first place to Vladivostok and there effect the despatch of them by the Chinese Eastern Railway to their ultimate destinations; (5) that, in consequence of a failure to perform the above mentioned term of contract, the whole of the tea and goods to the value of Tls. 261,819 was lost to the plaintiffs.

"Onthe strength of the above alleged facts, the plaintiffs prayed judgment against the defendants for the above estimated value of the goods, and in addition for Tls, 50,000 by way of damages for breach of contract.

Mixed Court Never Tried Case

"In January, 1926, the plaintiffs filed a motion in the same Court, asking that service of the petition be made on the Sovtorgflot (the Soviet Mercantile Fleet) at 1 Whangpoo Road, Shanghai, and that the said Sovtorgflot, assignees and representatives in title of the Russian Volunteer Fleet, be called upon to defend this action. On March 25, 1926, the Mixed Court granted the motion and ruled that it had jurisdiction in this matter. On April 12 of the same year, counsel for the Soviet Mercantile Fleet moved for rehearing. On October 10, the motion for rehearing on the question of jurisdiction was granted, "such rehearing to be set before the original Court." But the Mixed Court never heard the case again. After its rendition, it devolves on this Court to rehear the case.

"The plaintiffs alleged that the Russian Volunteer Fleet formerly had its office at 1 Whangpoo Road; that, in 1925, the said Fleet suddenly changed its name into Sovtorgflot (the Soviet Mercantile Fleet); that as a matter of fact the two institutes are identical, or, at least, the latter is an assignee or representative in title of the former. Counsel for the defendants, on the other hand, brought out two points in defence: (1) that the two institutes are independent of one another, and that Sovtorgflot is an innocent purchaser rather than a representative in title of the Russian Volunteer Fleet; (2 that granted for agrument's sake that the allegations of the plaintiffs are true, the Court has no jurisdiction over the defendant, as it is a government institute of the Union of Socialist Soviet Republics. From the evidence, it is clear that the defendant fleet is owned and controlled by Soviet Russia.

"As the question of jurisdiction has been raised that has to be decided before considering other questions. This question is one of international law. According to the prevailing traditions of international law merchant vessels belonging to a foreign state are exempt from local jurisdiction. As the defendant fleet, has been proved to be owned and controlled by a state in friendly relations with our country, it is clear international comity does not allow this Court to take jurisdiction in this case. Therefore, in accordance with Art 290, par. 1, sec. 1, and Act 97 of the Code of Civil Procedure, the petition should be dismissed with costs."

The Example of the U. S. A. and Europe

Judge Wu in explanation of his judgment appended a lengthy set of reasons, in the course of which he said: "The authorities of the various nations are in conflict. On the one hand, the courts of Denmark, Switzerland, Norway, Italy, Egypt, and Japan have held that mercantile ships belonging to a foreign state are subject to the local jurisdiction. On the other hand, the courts of Germany, France, Great Britain, and many other countries have consistently held the contrary view. In the United States of America, the opinions of the courts have not been uniform; but the weight of authority is decidedly in favor of immiuity."

Thanksgiving Proclamation

Under the guidance and watchful care of a divine and beneficent providence, this country has been carried safely through another year. Almighty God has continued to bestow upon us the light of His countenance and we have prospered. Not only have we enjoyed material success, but we have advanced in wisdom and in spiritual understanding. The products of our fields and our factories and of our manifold activities have been maintained on a high level. There has been advancement in our physical well-being. We have increased our desire for the things that minister to the mind and to the soul. We have raised the mental and moral standards of life.

We have had the blessings of peace and of honorable and friendly relations with our sister nations throughout the world. Disasters visiting certain of our states have touched the heart of a sympathetic Nation, which has responded generously out of its abundance. In continuing to remember those in affliction we should rejoice in our ability to give them relief.

Now that these twelve months are drawing to a close, it is fitting that as a nation and as individuals, in accordance with time-honored, sacred custom we should consider the manifold blessings granted to us. While in gratitude we rejoice, we should humbly pray that we may be worthy of a continuation of divine favor.

Wherefore, I Calvin Coolidge, President of the United States, do hereby set apart and designate Thursday, the 24th day of November, next, as a day of thanksgiving and prayer, and recommend and urge that on that day our people lay aside their usual tasks, and by the family fireside and in their accustomed places of public worship give thanks to Him who holds all in the hollow of His hand.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 26th day of October, in the year of our Lord one thousand nine hundred and twenty-seven, and of the independence of the United States of America the one hundred and fifty-second.

CALVIN COOLIDGE

Chinese Establish "Casing" Examination Office

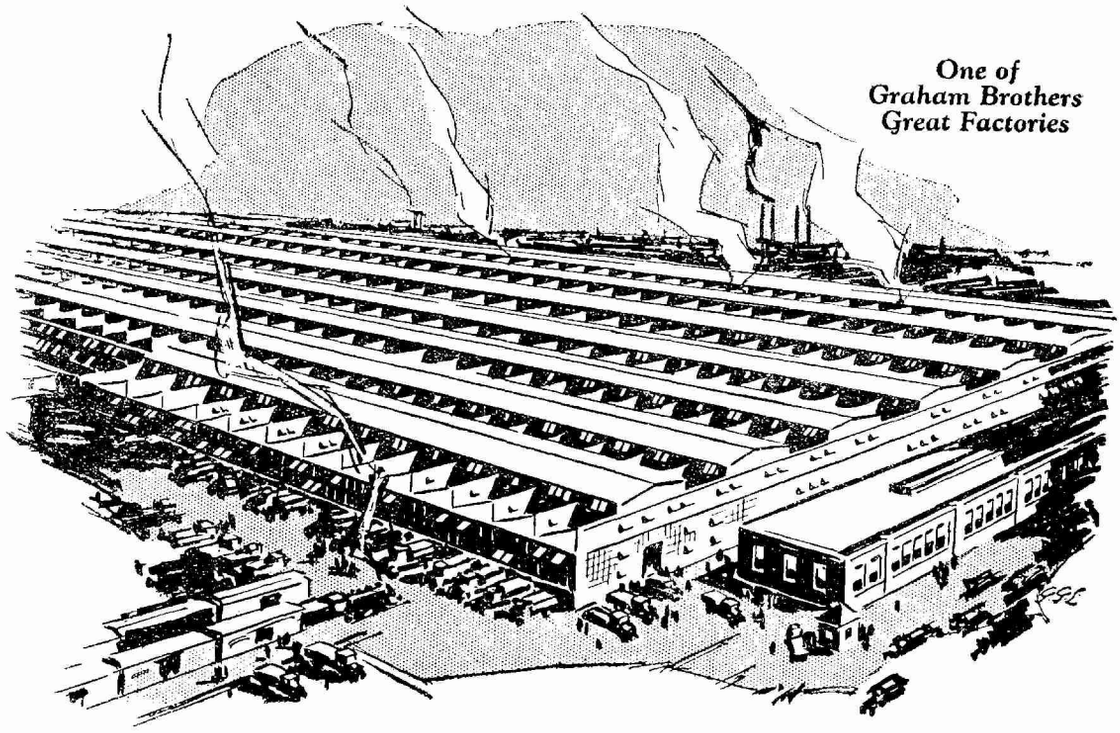
A sausage casing examination office has been established by the Bureau of Agriculture, Industry and Commerce of the Special Municipality (Chinese) of Greater Shanghai. A fee of Taels 25 will be charged for each barrel examined and an additional like fee is chargeable for packing and other preventive measures against contamination.

The following officers well be in charge of the new testing house: Wu Huan-Ju, director; Kajon Tung and Chang Chia-pao, Secretarjes; Huang Yung-hwei, Manager; E. Ott, technical expect, and Dr. Philipp, veterinary surgeon.

Intestines, which are generally known in the trade as "casings," are exported from Shanghai to a value of more than three hundred thousand gold dollars yearly.

MacMurray On Way Back to Peking

John Van Antwerp MacMurray, American Minister to the Peking Government, sailed for China from San Francisco on the *President Pierce* on Nov. 11, according to a *United Press* message which appeared in the *Japan Advertiser*. The message stated that Mr MacMurray was resuming his post after two months in Washington in which time he conferred with officials of the State Department regarding American policy toward China. The State Department announced, according to the *United Press*, that there will be no change in American policy.



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42-531

American, British, French Women To Make Study of China

BY MISS EVELYN SHARP
(*In the Manchester Guardian*)

A living Chinese writer has observed that "it is one of the misfortunes of modern political science that it has confined itself to the narrow study of Western political ideas and institutions." And the same criticism applies to our social science. It is indeed not too much to say that the average Englishwoman's attitude towards the Chinese woman is colored by the one fact taught about China to the children of the Victorian era, that little Chinese girls, when not destroyed at birth, have their feet tortured into elegance—a barbarism, by the way, that loses some of its picturesqueness if we compare an X-ray photograph of a swaddled Chinese foot with that of an English foot that has been forced into pointed shoes with Louis XV. heels.

Most intelligent people now realise, however, that behind the fog created by recent events in China there lies an unexplored wealth of culture, aspiration, and tradition that calls for discovery by the internationally-minded traveller. A halo of adventure, therefore, seems to be cast round the little delegation of three women who are just about to embark on an interesting visit to the women's organisations of that country. They are going out under the auspices of the Women's International League for Peace and Freedom, whose president is Miss Jane Addams, and their nationality represents respectively Great Britain, France, and America, though, of course, their mission is outside all barriers of race, creed, or party, and will serve no purpose of narrower limits than are set up by the broad principles of goodwill and world friendship.

Why They Are Going

The enterprise originated in the mind of Miss Louie Bennett, chairman of the Irish section of the Women's International League, who recalled to the Committee the complete success of a similar mission of reconciliation that went from the British section to Ireland in 1920, at a moment of intense strife and commotion. The idea of the present delegation is to get into touch with the women's organisations in China with a view to ultimate co-operation in the work of international peace and friendship, and more immediately to discover in what way, if any, English women can help the women's movements over there. They go, in a spirit of inquiry, as Miss Edith Pye, the British delegate, has explained, to ask for rather than to make suggestions, to learn and not to interfere; and they have been carefully chosen from that point of view. Miss Pye herself, a Chevalier de la Legion d'Honneur, is experienced in midwifery and welfare work, and has done much relief work abroad; Mme. Camille Drevet is a qualified teacher who has given up her post for the purpose; and the American delegate, Mrs. Grover Clark, has the advantage of being a resident in Peking and already in touch with Chinese women. Their intention is to take a greeting to the women of Indo-China on the way out, and then to proceed to Shanghai, after which they will plan their tour according to circumstances.

Dr. Timothy Tingfang Lew, Dean of the Theological Faculty at Peking University, when approached for his opinion as to whether his countrymen would be likely to resent this women's mission, replied that the keenest advocates of women's progress in China are the men, who realise that nothing definite can be accomplished by China as a nation until women are more on an equality with men. This need not surprise anybody who is not obsessed with the girl-baby-and-crippled-foot view of China. A nation brought up on the teachings of Confucius cannot fundamentally be opposed to sex equality or to ideal domocracy in any form. There is a charming Chinese parable that illustrates this truth.

The Lady And The Tiger

Once Confucius found a woman wailing bitterly by a grave. She said: "My father-in-law was killed here by a tiger. My husband was killed by another tiger, and now my son has died in the same way." Confucius asked, "Why do you not leave the place, then?" The answer was: "There is no oppressive government here." Then Confucius turned to his pupils and said: "Remember this, oppressive government is more terrible than tigers."

It will be valuable to all those who want to study the East intelligently to learn through the Women's International League delegation real facts about the Chinese women's position. So far, we have been dependent on small pieces of news that have filtered through from time to time. In 1913 we learned through an address given in the House of Commons by Mr. Hain Jou Kia that women had won a partial franchise in Canton, and had also helped to elect the Provisional Assembly that drew up the Constitution after the revolution. About that time, too, Mrs. Chang, one of the women's pioneers, was editing the "Peking Women's Paper"; and earlier still, in 1907, Dr. Yamei Kin, who took her degree in New York, had founded, with the help of the Chinese Government, the Women's Hospital at Tientsin. More recently, we know that in the San Min, or Threefold People's Doctrine, as enunciated by the late Dr. Sun Yat-sen, the legal and social equality of the sexes was recognised as essential to Chinese progress; and in the Kuomintang Conference of 1926 this principle was reasserted and extended to industry and the Civil Service.

Messages for conveyance to Chinese women's societies from similar bodies in England can be sent to the delegation through the Women's International League offices in London or in Manchester: and material aid to enable them to extend their activities as much as possible after their arrival can be forwarded in the same way. If only as one infinitesimal contribution towards the replacement of prejudice by understanding through knowledge, this international women's adventure would seem to claim attention. For want of understanding is confined to no one nation, as we are reminded afresh, on reading, in Mr. T'ang Leang-li's interesting book on China, that the Chinese a hundred years ago were pleading inability to enforce their laws against European settlers because the latter were so much alike that identity of the criminal became impossible!

Promises—and Facts

(*From the Peking Leader*)

The Leader publishes in another column today a brief account of some of the things which happened at Tingchow and in the neighboring villages shortly before the middle of October, when the Fengtien soldiers had just driven the Shansi troops out of this region.

That account speaks for itself and tells the story of three days and nights of unrestricted looting which the Fengtien troops indulged in following the capture of the city. It is, however, extremely difficult to reconcile the conduct of these soldiers—apparently chiefly of the twenty-third Mukden division, under the command of General Ho Chu-kuo—with the statements which Generalissimo Chang Tso-lin, Marshal Chang Hsueh-liang and others of the Mukden high commanders have been making recently as to their desire to promote the welfare of the people.

In the statement of his policies which Generalissimo Chang Tso-lin issued on July 1, 1927, he said:

> "It is my ambition to see the Chinese people happy and industrious."

On August 12, in an interview with a representative of *Reuter*, he said:

> "In a word, my aim is so to improve conditions here that our people will be happy and prosperous."

In his interview with Mr. Karl Bickel, president of the *United Press Associations*, on October 27, he said.

> "I believe in nationalism as deeply as any man, but I believe in nationalism for the people and not for the benefit of war profiteers."

In addition to giving these pledges, the Mukden leaders—Marshal Chang Hsueh-liang particularly and on several occasions—have publicly asked that cases of undisciplined conduct by their troops be reported to them so that proper measures could be taken to prevent a recurrence in the future. Marshal Chang Hsueh- liang was in command of the Fengtien drive down the Peking-Hankow line, in the course of which the looting and other barbarities reported occurred.

The Leader takes him and the other Mukden leaders at their word, and reports these incidents to them. No matter what they do they cannot bring to life the people who have been killed, nor make good much of the damage to property. But they can make sure that the officers responsible are properly dealt with—officers who had sufficient control of their troops to stop looting at once after three days but who let the looting at Tingchow go on for that time unchecked.

In conclusion, another quotation from Generalissimo Chang Tso-lin's statement of policy on July 1 is to the point here. He said:

> "If there was ever a time when China needed the sympathetic understanding of the foreign powers, that time is today, and I am confident that we shall receive it."

It is hard to conceive of anything which could more effectively alienate sympathy than barbarities such as those of which these Fengtien soldiers have been guilty.

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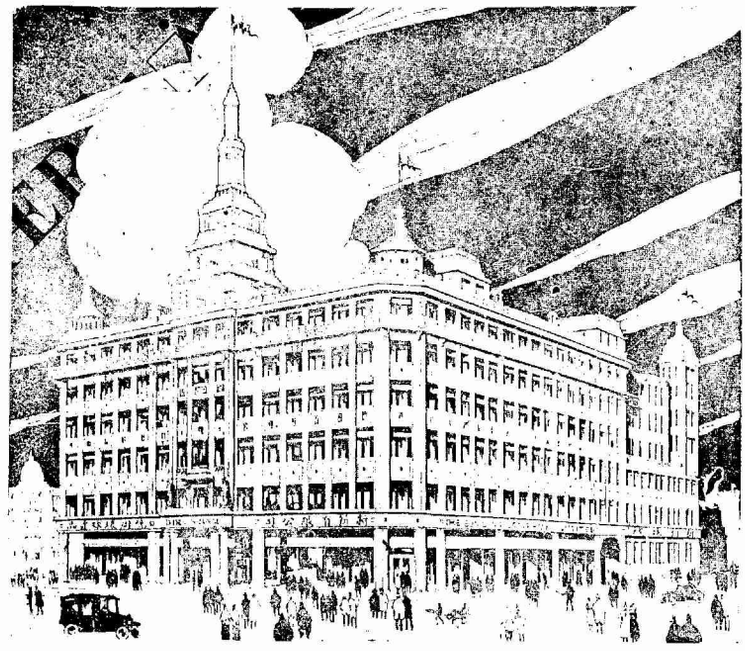

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Siam's Fight For Sovereignty

BY FRANCIS BOWES SAYRE
American Adviser to the King of Siam

I

SINCE Marco Polo first told of the far lands of Cathay, one trading nation after another has sought through peaceful means or through force of arms to capture the coveted trade of the Orient. The efforts of British merchants to force their way into China culminated in the Opium War and the Treaty of Nanking in 1842, which opened up the more important Chinese coast cities to foreign trade; additional treaties speedily followed, imposing on China the system of extraterritoriality for the protection of Western merchants. In 1853 Admiral Perry's dramatic appearance in Japanese waters marked the beginning of Western trade in Japan; and soon thereafter Western treaties were made with the Shogun imposing a similar system of extraterritoriality upon the newly awakened Japanese nation.

Even Siam, hidden away between India and China, was not overlooked. In 1855 Great Britain, in order to foster its growing trade with Siam, persuaded the Siamese King to sign a new treaty which was destined to have profound and far-reaching effects upon the development of his country. The treaty required that 'all British subjects coming to Siam shall receive from the Siamese Government full protection and assistance to enable them to reside in Siam in all security and trade with every facility,' and provided that all British subjects in Siam should be exempt from the jurisdiction of Siamese courts and that Siam should never raise its import tariff on English goods beyond three per cent. Neither of these provisions was felt to be burdensome at the time; consular jurisdiction seemed a measure wisely framed to meet the exigencies of a day when Siamese courts knew nothing of Western justice or Western ways, and a three-per-cent import tariff was then amply sufficient to provide for the simple needs of the undeveloped state. But unhappily the negotiators of this one-sided agreement had neglected to insert any time limit for the duration of the treaty; nor was any method provided for abrogating or modifying its provisions except with the consent of both parties.

Inception of Extraterritoriality

What Siam had granted to Great Britain she could not well refuse to other powerful states. Between 1856 and 1870 similar treaties were made with the United States, France, Denmark, Portugal, the Netherlands, Germany, Sweden and Norway, Belgium, Italy, Austria-Hungary, and Spain. All of these were closely modeled on the British treaty; all were without time limit. The restrictions were irrevocable and eternal.

During the last third of the nineteenth century Siam underwent a remarkable transformation. Under the intelligent and able leadership of King Chulalongkorn, railroads were built, telegraphic and mail communication with the outside world established, irrigation projects undertaken, slavery and gambling abolished, Western education introduced, the entire government reorganized and modern ministries of state created, an adequate system of law courts established, and a royal commission appointed to prepare codes of law based upon the best Western models. By the opening of the twentieth century Siam had become a modern state aquiver with Western progress. Internationally she was prepared to take her place in the Family of Western Nations.

With her profound transformation the conditions under which the early treaties had been made were for the most part swept away; but the treaty restrictions remained unchangeable. Not only remained—through a series of harsh interpretations their provisions were rendered still more onerous. The clauses providing that foreigners should be tried by their own consuls, originally designed for the mutual convenience of both foreigners and Siamese, were interpreted so as to give foreigners exemption not only from Siamese courts but also from any Siamese legislation which was unacceptable to foreign wishes. Even so, had the exemptions been confined, as they were originally intended, to Europeans, the situation would have been more tolerable. Unfortunately the Western nations insisted on including within the exemptions many thousands of Asiatics, inhabitants of European colonies in Asia, and therefore in point of law European subjects. The inclusion of these native races, not bred in a European civilization, was without inherent reason or sound justification, and its tendency was to arouse in many Asiatics resident in Siam a feeling that Siamese law could be disregarded with impunity. Thus Mohammedans from Malaya, Tamils from India, native races from the island of Java, Chinese from the Portuguese Colony of Macao, Burmese, Cambodians, Annamites, all gained exemption from Siamese courts and to a certain extent from Siamese law, even though dwelling permanently in Siam. So convenient and profitable did this exemption become that Chinese and even in some cases Siamese began to apply for and obtain enrollment in the foreign legations as 'proteges' of the treaty nations.

Thus excluded from administering law and punishment to an ever widening circle of foreign subjects and proteges, Siam began to find that no important law directly affecting European subjects of proteges could be put into force without first gaining the consent of the foreign offices in Europe. When Siam passed a General Education Law providing for universal compulsory education, a certain European nation refused to accept it because it offended the susceptibilities of its Mohammedan subjects in that it compelled girls to go to school during the sacred month of Ramadan, and as a result, with respect to all such children, the law could not be enforced. Similarly the law for the protection of trade-marks has remained since its promulgation a dead letter because infringements were found to be chiefly by foreigners, and Siam could not induce all the Treaty Powers to accept it. The subjects of one of them were profiting too greatly from its infringement. Even laws so obviously desirable as proper police regulations for the correction of abuses in Bangkok often could not be enacted or could be enacted only after the most discouraging delays because of the extreme difficulty of winning the unconditional approval of a dozen different foreign legations.

Wrongdoers Profit From System

The treaty exemptions, furthermore furnished, a ready refuge for wrongdoers. If Wu Sung had arranged for a particularly valuable consignment of opium to be smuggled in across the northern frontier, or if Abdul Razim desired to run a gambling shop without risk of police interference, each would arm himself with foreign papers as a prudent man should.

The financial provisions of the early treaties were equally intolerable. The pushing of widespread education demands the expensive training and paying of thousands of teachers. The development and stimulation of the agricultural resources of an undeveloped country demand large and increasing expenditures. An efficient administration of justice demands highly trained and adequately paid judges. Policing becomes more expensive as the amount of police regulation increases. Progress costs money. It began to be evident that Siam's continued progress could be just as effectively menaced by the inability of the state to finance further works of improvement because of the fiscal restrictions of the early treaties as by its inability to assume jurisdiction over foreigners. If Siam's progress was to continue, it became clear that the old treaties must go.

Yet there seemed to be no possible way. Suggestions, requests, entreaties, brought no results. Since the treaties, written in the interests of the traders, contained no time limit and no termination clause, Siam was helpless. Japan had finally succeeded in freeing herself from very similar treaty restrictions by proving the possibilities of her military power in the Chino-Japanese War. Siam did not possess the military resources to make such a solution possible, even were it desirable.

II

In 1907 Siam had succeeded in obtaining from France a treaty providing that French Asiatic subjects and proteges should become subject to the jurisdiction of Siamese courts. But for this concession a heavy price was paid. Siam had to agree that henceforth French Asiatic subjects and proteges throughout the whole of Siam should be entitled to all the rights and privileges enjoyed by Siamese subjects. Furthermore, French consuls were given the right to evoke from Siamese courts and to try themselves all cases in which the defendant was a French subject or protege registered at a French consulate prior to 1907; and, should an appeal be taken by such a subject from the judgment of a Siamese court, the treaty required that the appeal judgment must bear the signature of two European judges. Finally, the treaty was sealed by the 'rectification' of the frontier between Siam and French Indo-China, Siam ceding to France the territories of Battambang, Siem-Reap, and Sisophon. As to all non-Asiatic French subjects, extraterritoriality remained; likewise the fiscal clauses of the French treaty of 1856 were continued in full force.

In 1909 a somewhat similar treaty was signed with Great Britain, applicable, however, to British European as well as Asiatic subjects. Under this treaty Great Britain agreed to abandon henceforth the right of extraterritoriality for all British subjects. But for this concession an even heavier price was exacted. All British subjects throughout Siam were to be entitled to the same rights and privileges as Siamese subjects, and British consuls were to have the right to evoke from Siamese courts and try themselves cases in which the defendant was a British subject registered prior to the date of the treaty and which did not fall within the scope of regularly promulgated Siamese laws. In addition the treaty required

that European legal advisers must sit as judges in all cases where British subjects were defendants, and where the defendants were British non-Asiatic subjects the opinions of the European legal advisers were to be deciding; and again the treaty was sealed by Siam's cession to Great Britain of the states of Kelantan, Tringganu, Kedah, and Perlis. The requirements concerning European legal advisers were without time limit; and all the fiscal provisions of the Treaty of 1855 remained in force. Siam thus gave to Great Britain all she had to give, and in return received only a measure of judicial autonomy; fiscal autonomy seemed further away than ever.

Eight years passed; further progress in the line of treaty revision seemed impossible. In 1917 Siam threw in her lot with the Allies and declared war against Germany; she sent an expeditionary force to France composed largely of aeroplanists. When the war was won Siam appealed to her allies gathered around the council table at Versailles.

Siam as a War Ally

'We have all been fighting,' she said, 'shoulder to shoulder for the rights of small nations and for the great cause of humanity. If, as so often proclaimed, we have in truth been fighting to protect the weak against the rapacious strong and to remove some of the old injustices that make for war, is it not right and fair that Siam should be freed from the outworn treaty restrictions of an earlier day which under the changed conditions in Siam have lost all reason for existence?'

The diplomats shifted in their chairs; a few fair words were spoken; but of all those present only one took definite action. President Wilson replied: 'You are right. America will give to Siam a new treaty relinquishing the old extraterritorial rights; and she will give it as an act of justice, freely and without price.' It was the new note in international diplomacy; justice and interternational right meant more than empty words.

In 1920 President Wilson gave to Siam the treaty which he had promised. Without compensation and without secret understanding of any sort, America, recognizing the efficient administration of justice which Siam had achieved, surrendered all rights of extraterritoriality, provided only that the American consul should have the right, up to five years after the promulgation of the last of the Siamese codes of law, to evoke out of the Siamese courts any case involving American citizens should this seem necessary in the interests of justice. Although as a matter of fact the right of evocation under the American treaty has never been exercised, this wise provision furnished to American citizens a guaranty against possible judicial abuse and one which Siam could gladly give because of her confidence in her own courts. Further more, the new treaty abrogated the earlier American treaty of 1856 in its entirety; and America, recognizing Siam's right to fiscal autonomy, agreed that Siam should have the right to impose any tariff she pleased against American goods, provided that all the other Treaty Powers would agree to similar provisions without compensation or price. The new treaty was made terminable after a ten-year period upon one year's notice given by either party, and it was expressly provided that such termination would not revive the former treaty. Through America led the path of freedom.

III

After the American treaty had been signed, Siam again approached Great Britain and France and requested each to follow America's lead. Great Britain replied that until the other Powers had gone as far as she had in the treaty of 1909 any application for further treaty revision 'would appear to be premature.' France made favorable replies, but little seemed to come of them. Three years passed with the goal apparently no nearer. A new treaty with France involved Siam's relations with her Eastern neighbor, French Indo-China; and the difficulties of the problem were increased by the political situation in Hanoi and by France's anxiety not to give offense to Indo-Chinese susceptibilities. Ultimately it was agreed that problems concerning Indo-China alone should be excluded from the main French treaty and should form the subject of a separate French convention negotiated directly between Bangkok and Hanoi. The Quai d'Orsay then placed the negotiations for the new French treaty in the hands of the French Minister to Bangkok, a forward-looking man thoroughly conversant with Indo-Chinese opinion. After his arrival in Bangkok early in 1924 negotiations were pushed in earnest.

In the meantime the system of extraterritoriality in practice seemed more and more unjustified and vexatious. As a result of the war, Germany and Austria had indeed lost their treaty rights; but ten European Powers, deaf to every plea, still insisted on their legal rights, and unless Siam could persuade each in turn without price or compensatory benefit to surrender them, no feasible way of escape lay open. It seemed clear that it would be impossible to accomplish such a task through ordinary methods; the only practicable road to success, if success were possible at all, lay through direct personal work in the various foreign offices in Europe. Because of the unavoidable ignorance of responsible

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officials in European foreign offices as to actual conditions in Siam, and the natural disinclination of European representatives living in Bangkok to surrender existing privileges, long-distance negotiations at Bangkok would block success at the very outset.

These ideas had the active support of the able and energetic Siamese Minister for Foreign Affairs, Prince Traidos Prabandh, a man of wide diplomatic experience in both Europe and America. King Rama VI graciously entrusted the fortunes of this project, so vital to Siam, to the keeping of the Adviser in Foreign Affairs, who, armed with a roving commission, was to sail from Bangkok in the autumn of 1924 and, in conjunction with Siam's diplomatic agents in each country, to spend the ensuing year seeking to convince one after another of the foreign offices of Europe of the wisdom of giving up their existing rights in Siam.

It was our great hope that the French negotiations could be brought to a successful termination and the treaty signed before our departure, but as each difficulty was overcome new obstacles arose, and every new obstacle caused fresh delays. Nevertheless, by the end of the summer, agreement had apparently been reached on the treaty draft. France was to renounce all the provisions of former treaties except those which concerned Indo-China, and to grant to Siam judicial autonomy subject to a limited right of evocation and fiscal autonomy on the same lines as in the American treaty. Most important of all, the new treaty was to be terminable after ten years by either party. When the time came for our departure from Bangkok we supposed that everything was settled.

IV

Upon reaching Paris early in December 1924, however, to our dismay we found the treaty apparently as far from settlement as ever. At our first meeting with the French Minister to Bangkok we discovered that new questions had arisen; the discussion of certain underlying principles revealed sharply diverging interpretations maintained by the French and the Siamese Governments; and to the French interpretation the Siamese Government found itself quite unable to accede. Negotiations must be taken up afresh. Several weeks of anxious, intensive work followed. By the middle of January the French Foreign Office finally agreed to accept a formula satisfactory to Siam, and also gave its consent to the insertion of an unusual and sweeping arbitration clause by which both parties agreed that, in default of settlement by diplomatic or arbitral means, all questions arising between them should be settled by the Permanent Court of International Justice in conformity to the principles of the League of Nations. Even questions affecting national honor and vital interests were not excepted. After complete agreement on the treaty draft had been reached among ourselves, the text was laid before the French Cabinet and its consent won. Finally a date—January 31—was actually set for the signing. Success seemed at hand.

During the ten days' interval while the treaty text was being printed preparatory to the signing, we proceeded to The Hague to open negotiations for a new Dutch treaty. Three days before the date set for the signing of the French treaty, out of a clear sky came a telegram from Paris saying that the French Foreign Office had just received cabled word from their Charge d'Affaires at Bangkok that an outrageous and murderous attack had been made upon the wife of one of the French legal advisers in Siam and the treaty therefore could not be signed. The news burst like a bombshell.

We rushed back to Paris heavy of heart and cabled to Bangkok for a full report. For several critical days the outcome hung in the balance. What we most feared was a hostile newspaper campaign in the French opposition press, which might easily have killed the treaty. Bangkok's cabled reply, however, gave some room for hope. The attack had been made without malice by an irresponsible individual too drunk to know what he was doing. Exactly similar attacks might, have happened on the streets of Paris or New York.

(To be continued next week)

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The Courtship Of Chiang

(The Nation, New York, Oct. 12)

Chiang Kai-shek, having resigned as generalissimo of the Chinese Nationalist armies, has engaged in a more congenial campaign. He is suing for the hand of Mei-ling Soong, Wellesley, '15. Miss Soong, the cables report—and who would doubt a cable from China?—is willing; but her sister, Mrs. Sun Yat-sen, graduate of Georgia Wesleyan, and her brother, T. V. Soong, Harvard '15, and her brother-in-law, Sun Fo, once of Columbia University, and her other brother-in-law, H. H. Kung, erstwhile of Oberlin College, object. They have all been associated with the Hankow Government, against which Chiang fought; and they seem to believe that in China, as in dynastic Europe, marriages should continue to partake of the color of politics.

Yet Chiang has gone to Japan to win the consent of Mrs. Soong, and doubtless the spectacle of the ardent general reverently travelling abroad to seek a parent's permission will soften the heart even of a mother of Harvard, Wellesley, and Georgia Wesleyan graduates. Chiang has been too conservative in politics to suit the men of Hankow; but in marriage he goes the limit of modernism. He has divorced his first wife—which is more than Dr. Sun did before he married the beautiful lady who is now in exile in Moscow; he has freed his concubines, which is action unusual in a Chinese general; and he has taken the utterly unprecedented step of appearing publicly as a suitor before he has been accepted. It is many a century since a Chinese leader has appeared in a role so humiliating to the male—and it is a sign that along with China's other revolutions has gone a revolution in the status of woman.

Chiang Kai-shek is close to forty, and his only foreign schooling was in Japan, where marriage customs are as conservative as in China; oddly, it is the foreign-trained young men and women of the Soong, Kung, and Sun tribes who are objecting to a marriage based solely upon the love of the two parties principally concerned. Every foreign-trained young man or woman in China has faced the same dilemma. Should they marry as their hearts bade them, according to the code learned in the West, or let their parents pick their mates, according to the immemorial custom of China? Many a girl student has flung herself into the rivers of China when family pressure put an end to a college romance. More than one of the young leaders best known abroad bears the wounds of the struggle that ended when he decided that his usefulness in China would be finished if he did not obey his parent's wishes. A Chinese statesman, well known in Europe as a cultured modern, recently sent an intermediary to propose marriage to a girl whom he had met at a foreigner's home, saying that he could not lose face by appearing in person until he was certain of success.

Many stories are told in China of the courtship of Feng Yu-hsiang, the "Christian general," This much at least is fact: Feng wanted a "modern" woman as his second wife, and was impressed by stories of the talents of a Y. W. C. A. secretary. He sought to make her acquaintance, but she, faithful to old codes, refused, and it was by a ruse that he succeeded in meeting her at the home of a foreign missionary. And it was only after he had made a whole series of pledges of conduct different from that customary in a Chinese husband that he won his present bride.

Feng's wife was a graduate of Yenching, an American mission college; but Mei-ling Soong passed years in the United States. She knows the West; she has contributed good verse to American periodicals; she can be as tart-tongued as any Yankee flapper; and the generalissimo Chiang can hardly have been the first to ask her mother's permission. Her Georgia-trained sister had much to do with Dr. Sun's success in his later years; it will be interesting to see whether a Wellesley wife, unorthodoxly wooed, can coach Chiang Kai-shek back to leadership in China.

Peking Government and Soviet Resuming Relations

The first step toward a resumption of relations between the Peking Government and the Soviet since Chang Tso-ling's raid on the Soviet Embassy last spring was taken on Nov. 12 when officials of the Embassy and the Peking Government met to discuss the disposition of the Russian share of the Chinese Boxer Indemnity. The conversations were participated in by the Soviet representative, Mr. Spirwaneck and the Chinese Minister of Education and Vice-Minister of Finance. At the conclusion of the conversations, it was announced that the Soviet Government had decided to contribute the balance of the indemnity to China for educational purposes, a considerable portion of which will go to the Peking National University, enabling that institution to carry on its activities.

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Canton Goes Cantonese—Chang Fa-kwei Ousts Li Chi-sum

BY J. B. P.

The City of Canton held an election last week and the Cantonese were successful in ousting the Kwangsi-ites from control! We suppose that is the correct way of interpreting what happened in Canton on the night of November 17 when the Cantonese commander, Gen. Chang Fa-kwei executed a coup-d'etat and disarmed the forces of Gen. Li Chi-sum, the Kwangtung commander who had been in control of Canton since the Nanking Government was established last spring following the deflection of Gen. Chiang Kai-shek from the Nationalist Government at Hankow.

Gen. Li Chi-sum, Former Controller of Canton Who Was Ousted as a Result of a Coup-d'etat Executed by Gen. Chang Fa-kwei, the Cantonese General. Gen. Li Was Appointed Commander at Canton by Gen. Chiang Kai-shek Last Spring.

Detail of the coup-d'etat are not yet available, but the Japanese *Toho* news agency report on Nov. 17 stated that Gen. Huang Chi-hsiang commander of the 4th army, Gen. Li Fu-lin commander of the 5th army, and Gen. Pi Yueh, commander of the 2nd army, all of them subordinates of Gen. Chang Fa-kwei, suddenly surrounded the troops of Gen. Huang Shao-hsiung, a subordinate of Gen. Li Chi-sum, and after some fighting succeeded in disarming most of Gen. Li's troops which were stationed inside the city of Canton, There was little fighting except at the Whampoa Military Academy where there were several casualties, according to the report, which stated that Gen. Chang Fa-kwei obtained considerable arms and ammunition consisting of 3,000 Japanese rifles, 3,000 Russian rifles, 80 machine guns, 8 mountain guns, of pieces of field artillery and some 3,000 rounds of artillery shells.

Story of the Coup-d'etat

Gen. Li Chi-sum who controlled Canton prior to the coup-d'etat is a native of Kwangsi province and a member of the so-called Kwangsi faction in the Kuomin tang. He was appointed to the Canton command by Gen. Chiang Kai-shek, following Chiang's deflection from the Wu-Han Government last spring. In order to consolidate his position, Gen. Li Chi-sum executed a coup-d'etat last spring somewhat similar to the one of which he was the victim last week, and brought into Canton his own men from Kwangsi province ousting those who had been appointed by Wu-Han. He has ruled the province of Kwangtung uninterruptedly since that time, continuing in power after the resignation of Gen. Chiang Kai-shek from the Nanking Government. Gen. Li has thus constituted one of the main sources of strength for the Nanking Government owing to the financial support which Canton has been able to render to Nanking.

When Chiang Kai-shek was in control of the Nanking Government, the Wu-Han Government sent Gen. Chang Fa-kwei down the Yangtsze from Hankow to attack Nanking, but before he was able to transport his forces to Nanking, Gen. Chiang resigned. Chang Fa-kwei was then at Kiukiang in Kiangsi province and apparently was preparing to assume control of that province when a large number of his troops rebelled at Nanchang, the capital of Kiangsi and announced themselves to be affiliated with the Communist wing of the Kuomintang. Chang Fa-kwei hurriedly reorganized his loyal troops and immediately marched on the Communist troops at Nanchang and drove them out. He then followed them to Kwangtung province and defeated them at Swatow, following which he marched his troops into Canton without resistance on the part of Gen. Li Chi-sum. Gen. Chang Fa-kwei, being a native of Kwangtung naturally received support from a considerable section of the Cantonese.

Many Weeks of Intrigue

Since the arrival of Gen. Chang Fa-kwei in Canton there has been constant intrigue between his forces and those of Li Chi-sum, the latter having the largest number of troops. About three weeks ago following the abortive conference between the Hankow and Nanking factions of the Kuomintang and the establishment of the Nanking Central Special Committee, Dr. Wang Ching-wei, former chairman of the Central Executive Committee of the Kuomintang went to Canton upon the invitation of Generals Chang Fa-kwei and Li Chi-sum, his purpose being to try to effect a reconciliation between the two so that there could be held a meeting of the Central Executive Committee for the purpose of smoothing out the differences within the Kuomintang Party. Finally, upon the invitation of Gen. Chiang Kai-shek, who had just returned from a trip to Japan, Dr. Wang Ching-wei, Gen. Li Chi-sum and Gen. Chang Fa-kwei departed from Canton on their way to Shanghai to hold a conference with Gen. Chiang Kai-shek and other Kuomintang leaders at Shanghai. According to the report, when the party reached Hongkong, Gen. Chang Fa-kwei received a telegram from Canton urging him to return, which he did, leaving Wang Ching-wei and Li Chi-sum to continue the trip to Shanghai. However, before they could reach Shanghai, Gen. Chang Fa-kwei's forces had executed a coup-d'etat and had driven Li's men out of Canton. According to latest reports, Gen. Li still has some 15,000 troops in the environs of Canton and further fighting may develop although desperate efforts are now being made by the various political leaders in Shanghai to avoid a battle, leaving Chang Fa-kwei in control of Canton.

Chang Fa-kwei Has Had Rapid Rise

Gen. Chang Fa-kwei, the hero of recent events in Canton is only 31 years of age but has managed to crowd into his limited years sufficient revolutionary excitement for an ordinary lifetime. After receiving an elementary education in his native village in Kwangtung, he was sent to the Paoting Military Academy in North China, following which he returned to Canton and joined Dr. Sun Yat-sen, then preparing for his first Northern advance some five or six years ago. He served as a member of Dr. Sun's bodyguard at that time. When Dr. Sun's Northern advance proved a failure owing to a coup d'etat executed by Gen. Chen Chiung-ming, Chang Fa-kwei returned to Canton and became a brigade commander in Dr. Sun's war against Gen Chen Chiung-ming and helped in defeating Chen. In June, 1926 when the Nationalist advance toward the Yangtsze was decided upon Chang Fa-kwei was made commander of the vanguard division and it was largely due to his generalship and courage that the Northern advance was successful. He defeated Marshal Wu Pei-fu's forces in Hunan and later was chiefly responsible for the victory over Marshal Wu's troops after the memorable siege of Wuchang in the early spring of 1927, and later on was responsible for defeating the troops of Sun Chuan-fang in the fighting in Kiangsi province.

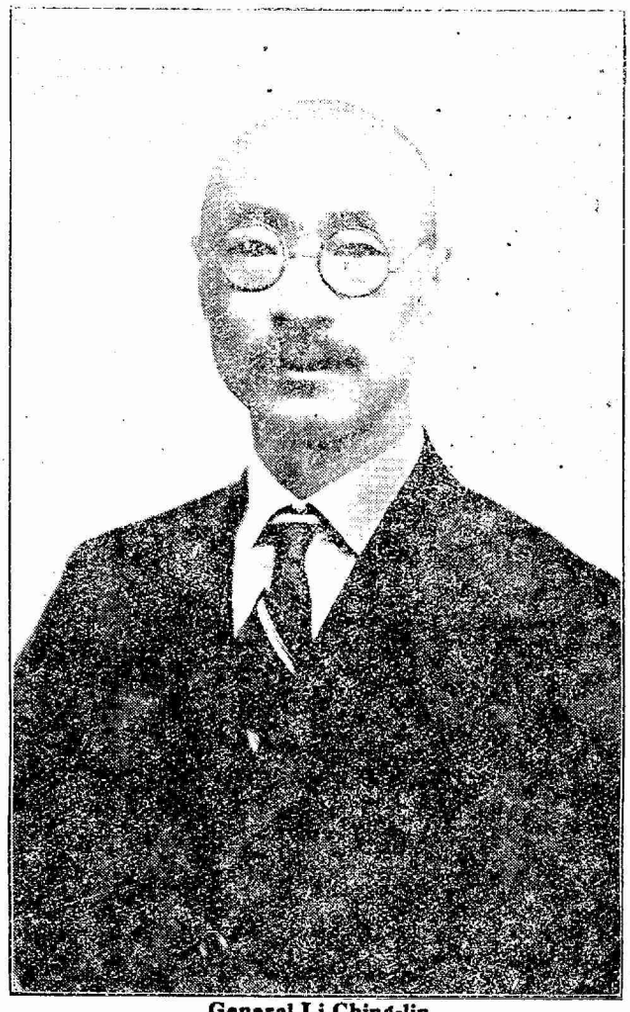
Defeated Chang Tso-ling in Honan

When Marshal Chang Tso-ling attempted his advance on Hankow down the Peking-Hankow Railway last summer, it was Gen. Chang Fa-kwei and his "Ironsides" who were sent to oppose the Mukden dictator. In another remarkable battle, said to have been the bloodiest since the revolution of 1911, Chang Fa-kwei in the brief period of two weeks met and defeated a force of Fengtien troops double the size of his army, the victory being all the more remarkable owing to the fact that the Fengtien forces were equipped with modern artillery while the Cantonese only possessed ribles. But while victorious over Fengtien, the fighting was disastrous for Gen. Chang Fa-kwei for he was forced to sacrifice some 25,000 troops in killed and wounded, practically wiping out his army. However, with indefatigable energy he set to work organizing a new army and now is back in an influential position as the controller of the fortunes of Canton.

Effect of the Canton Coup

While it is as yet too early to forecast the effect of Gen. Chang Fa-kwei's control of of Canton, the initial effect has been to strengthen the so-called Cantonese faction in the Kuomintang, an important element in the forthcoming meeting of the Central Executive and Supervisory Committees of the Kuomintang. Preliminary conferences are now proceeding in Shanghai between the leaders of the various Kuomintang factions but as these lines are written (Monday Nov. 21) it is too early to forecast results. The Shanghai *Evening News*, a Chinese paper published in the English language and supposed to be partial to the Fengtien Party, in its issue of Monday contained an article stating that serious difference had developed among the Kuomintang leaders as a result of the Chang Fa-kwei coup-d'etat at Canton and stated the probability that the Fourth Plenary Session might have to be postponed. In this connection it was stated that several of the party members affiliated with the Nanking faction were accusing Wang Ching-wei of responsibility for the ousting of Gen. Li Chi-sum from Canton. Gen. Chiang Kai-shek, however, according to another report in the same newspaper was bending every effort to effect a reconciliation in order that the party conference and consequent reorganization of the Nationalist Government could be effected.

Who's Who in China



General Li Ching-lin
李 景 林

General Li Ching-lin is a native of the Chaochwang district of Chihli Province where he was born in 1884. He attended the Middle School of Chihli province and later the Paoting Military College. Upon leaving school he entered the army in 1900 and rose to the rank of Major. In 1915 he was appointed to the general staff of the army in Heilungkiang, and later was made a member of the staff of the Military Governor of Heilungkiang and was placed in command of the Chinese troops on the Mongolian frontier. In 1918 he was made a Brigadier-General. In 1920 he commanded the first division of the Mukden army in the war on the Anfu faction at Peking and Tientsin. Prior to the Chihli-Fengtien war of 1924 he was commander-in-chief of the Mukden troops. Following that war he was appointed Tupan of Chihli province and concurrently Civil Governor.

In 1926 Gen. Li Ching-lin defended Tientsin against the 'Christian General' Feng Yu-hsiang, in what was considered to be the hardest-fought battle since the revolution of 1911. Following his defeat in this engagement, Gen. Li retreated with his forces to Shantung province, but returned to Tientsin, when Chang Tso-ling forced Feng Yu-hsiang out of the Capital. Owing to misunderstandings with Chang Tso-ling, General Li then departed from Tientsin and went to Shanghai where he joined Gen. Chiang Kai-shek of the Nationalist forces and was appointed Vice-Commander of the Northern Expedition. Upon the retirement of Gen. Chiang Kai-shek, Gen. Li also retired and has been living in Shanghai since that time.

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Deceased.

Cause No. 2997
Estate No. 1245
NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the Estate of GILBERT REID, Deceased, to present the same with vouchers to the undersigned on or before May 12, 1928, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

S. REYNOLDS REID.
Executrix
318 Avenue Joffre
Shanghai, China.

Shanghai, China.
November 4, 1927.

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,,	27	,,	,,	,,	,,	4
Dec.	11	1926	Vol.	39	No.	2
Jan.	1	1927	Vol.	39	No.	5
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Mar.	5	1927	,,	40	,,	1
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THE CHINA WEEKLY REVIEW
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Men and Events

An international walking competition will take place in Shanghai, Sunday, November 27.

W. S. Leonard, manufacturer's representative of Shanghai, as returned after a business trip to Manila, Hongkong and anton.

Colonel C. F. Nance, general manager of the Radio Corporation of the Philippine Islands, was a visitor to Shanghai. during the week.

Mrs. L. T. Kenake, wife of the assistant clerk of the U. S Court for China, who has been ill of typhoid fever at the Country Hospital, is recovering.

Dr. H. Chatley of the Whangpoo Conservancy Board will lecture on "Recent Scientific Controversies" at a meeting of the Shanghai Quest Society on Dec. 5.

Francis Zia, formerly chief editor of the *China Courier*, is arranging to publish a new weekly journal. He has opened editorial offices at 4 Hongkong Road.

Dr. and Mrs. John A. Ely, formerly of St. John's University, Shanghai, are at present living in Honolulu where Dr. Ely is a professor in the University of Honolulu.

Fred Balfour, Navy Y.M.C.A. Secretary at Chefoo, passed through Shanghai during the week enroute to Hankow where he is relieving Mr. Poe, who is going on furlough.

Yang Zao-hung has been appointed chief judge of the Shanghai Chinese District Court in succession to Miss Soumay Tcheng. Judge Yang has already assumed office.

T. C. White recently departed for America and he will be joined there later by his wife, the Princess Der Ling, who temporarily remains in Shanghai, living at the Palace Hotel.

Amos Hiatt, manager of the Tientsin branch of the American-Oriental Banking Corporation, departed on Nov. 22 for a four months vacation at his home in the United States.

The *Atlantic Monthly* for November contains an article under the title, "Letters from China," by Mrs. Nora Waln. Mrs. Waln is an American woman married to a British official.

Rev. and Mrs. Keplar Van Evra departed from Shanghai, November 19, for Europe *enroute* to the United States, after having been engaged in missionary work in Hangchow for fifteen years.

J. Dugdale, who has been on the staff of the *North China Standard* at Peking, has gone to Hankow where he will serve as correspondent for a number of newspapers including the *London Times*.

Dr. Harry V. Fuller for more then fifteen years professor of Chemistry at Pei Yang University, Tientsin, has been appointed head of the department of chemistry of Valparaiso University of Valparaiso, Ind.

Miss Soumay Tcheng, former judge of the Shanghai District Court and later appointed presiding judge of the Provisional Court, but who resigned, is planning to depart for France, according to a report appearing in the Chinese newspapers.

George E. Sokolsky, newspaper correspondent in Shanghai, associate editor of the *Far Eastern Review* and member of the editorial staff of the *North-China Daily News*, who was operated on for appendicitis at the Country Hospital last week, is recovering.

Judge Milton D. Purdy of the U. S. Court for China in an address before the Union Club, Shanghai, November 22, called upon foreigners and Chinese alike to abandon foolish notions about race prejudice and superiority, and declared that foreign courts here are assisting in the reconstruction of China.

Zau Tieh-jau, who was appointed by the Nationalist Government for the purpose of superintending the liquidation of the China Merchants Steam Navigation Company, has opened an office in the Wei Nyih Bank on Foochow Road, according to a report appearing in the *Sin Wan Pao* last week.

According to a report appearing in the Chinese press, the Shanghai branch of the Kuomintang has issued a declaration denouncing the Pan-Asiatic Conference which recently was held in Shanghai on the grounds that the delegates were not appointed by the various countries they claimed to represent.

Mrs. H. C. Mei, wife of Dr. H. C. Mei, and president of the National Chinese Y. W. C. A. has departed for Canton to attend the opening of a new vocational school to be operated under the supervision of the Y. W. C. A. She remained at Hongkong for several days to inspect Y. W. C. A. activities there.

The Nanking government recently appointed Dr. C. T. Wang director of the Lung-Hai Railway, Only about one-third of the Lung-Hai Railway is now under the control of the Nanking government, the rest of it being in the hands of Northern militarists. Dr. Wang has established headquarters in Chengchow.

Mrs. C. C. Wu, wife of the Minister of Foreign Affairs of the Nationalist Government, has returned to Shanghai from Tientsin where she was held a prisoner by Marshal Chang Tso-ling for several weeks. Mrs. Wu went to Tientsin to visit her parents and was arrested on the dock as she was returning to Shanghai.

Shigeyoski Megata, a Japanese 27 years of age, has the honor of being the first Japanese ever arrested in New York City for driving a car while intoxicated. When arraigned before Magistrate Norris in the traffic court Megata admitted that he was intoxicated and accepted the fine of G.$25 and cancellation of his driver's license philosophically.

The Kiangsu and Chekiang governments are opposing the opium policy of the Nanking Nationalist government, which provides for a monopoly for the time being. These two provinces charge that the granting of the monopoly is tinged with fraud and they announce that they will inaugurate shortly an independent policy of their own, looking to total suppression.

J. C. Clark of the National Committee of the Y. M. C. A. who is now in the United States has joined the Foreign Committee of the Y. M. C. A. and for the next two years will be connected with a department concerned with the promotion of world brotherhood among boys. Mr. Clark will take a group of boys to Europe next summer and the following year hopes to bring a group to the Far East.

One of the winners at the Tientsin races recently was a Chinese named Kiang Yeh-ming, an employe of the Race Club. According to a report in the *North-China Star*, Kiang was sent by the Race Club authorities with a suit case containing $14,601 with instructions to deposit same in the Young Brothers Banking Corporation. It seems that Kiang, instead of depositing the money in the bank, kept on going and has not yet been apprehended.

Mr. and Mrs. T. W. Stedman, formerly of Shanghai, are now living at the Huntington Hotel in Pasadena, California. Mr. Stedman, was formerly manager of the Peking branch of the United States Steel Products Co., and later manager of the Shanghai branch of the corporation, was transfered to the States several months ago and now has been promoted to be manager of the Pacific Coast district. Mrs. Stedman was Miss Mollie Lunt of Shanghai.

The World's Chinese Students Federation and representatives of twelve universities gave a dinner on the evening of Thursday, Nov. 17, in honor of Gen. Chang Ting-fan, Mayor of the Shanghai-Woosung Special Administrative District and on Satuday evening, Nov. 19 H. H. Kung, former Minister of Agriculture and Commerce of the Nationalist Government, was the guest of honor and delivered an address on "Industrial Problems in China." P. K. Chu, general secretary of the Federation, presided.

Kenneth B Day and Mrs. Day were members of an interesting party of Cebu residents who were on board the s.s. *Fulda* which called here recently. Mrs. Day is the daughter of the late Dean C. Worcester who went to the Islands with the early Taft commission, and later held the position of Secretary of the Interior for the Islands, and other important posts. Mr. Day is manager of the Philippine Refining Corp. which operates a large copra mill on a small island across the channel from the island of Cebu.

Thanksgiving Day in Shanghai

The American community in Shanghai celebrated Thanksgiving day, November 24, in true American style. Turkey adorned the tables of most American families just as in the United States. The church sevice was held at the British Cathedral, being conducted by Bishop L. J. Birney.

Nationalists Impose Stamp Taxes

(*Continued from page 324*)

Article 5. All kinds of articles, liable to stamp tax and to which stamps are found not to have been affixed or when they are affixed thereto, are not properly chopped or signed, a fine not less than $10.00 and not exceeding $100.00 shall be imposed for each case. For insufficiency of stamps affixed, a fine not less than $5.00 and not exceeding $50.00 shall be imposed, but all mitigating circumstances shall be taken into consideration.

Article 6. The colors of the stamps, except those for articles specified in Class 4 which are to be designed separately, shall be as follows: one-cent stamp (brown), two cent stamp (green), ten-cent stamp (red), 50-cent stamp (violet) and $1.00 stamp (blue).

Article 7. Stamps, once affixed and chopped, shall not be used again; the violation of this article shall be punishable by a fine not less than $10.00 and not exceeding $100.00

Article 8. Forging and counterfeiting stamps shall be punishable according to the articles of the Criminal Code governing forging and counterfeiting bank notes.

Article 9. These regulations shall become operative from the date of their promulgation.

From the Chinese Press

(News items pertaining to Chinese politics appearing under this heading, are taken mostly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official) Nationalist (Wu-Han official) and Toho (Japanese) news agencies, and from translations of articles appearing in the local Chinese press).

November 15—Chang Tso-ling announces luxury tax averaging from 10 to 30 percent on sugar, tea, oil, dry goods and other articles; Chinese merchants protest—*Kuo Min* report from Nanking states Feng Yu-hsiang troops after capturing Tsaochowfu in southwestern Shantung, are now advancing rapidly on Tsinanfu; report also states Chihli-Shantung troops are seriously demoralized and falling back—*Kuo Min* report says 44th Nationalist army under Gen. Yeh Kai-hsin has entered Wu-Han—Nanking report states that Government Council has revised and amplified organization of Government, adding the offices of Ministries of Interior and Industry, making 9 ministries in all—*Kuo Min* report states that it has now been agreed to call a conference of the Central Executive in Shanghai for a preliminary discussion following which the Fourth Session will be held in Nanking—Private conversations opened in Peking between Chang Tso-ling and Japanese over Manchuria and Mongolia questions—Rumored Tang Shen-tse has come to Shanghai on his way to Japan—*Kuo Wen* report from Peking states that Chochow is expected to fall in a few days—Martial Law declared in Soochow, Kiangsu on account of communist activities.

November 16—*Toho* report from Kiukiang states Gen. Cheng Chien may be appointed head of Hupeh Provisional Government and Gen. Yeh Kai-hsin head of Hunan Government—Japanese message from Tsinan states that Chihli-Shantung troops suffered such defeat on Lung-Hai Railway by Feng Yu-hsiang that they have lost half their strength including most of the artillery and armored cars and 3rd, 4th and 6th armies; Chang Chung-chang trying to raise loan of $30,000,000 to reorganize army—Nationalists claim capture of Pengpu—Hunanese troops retreating from Hankow reach Changsha; reported that Gen. Ho Chien, Liu Hsiang and Li Ping-hsien and Yeh Chi have gone to Hunan—Japanese *Toho* report from Hongkong alleges that Eugene Chen has departed from Moscow on his way back to China—Canton branch of Political Council passes resolutions urging abolition of Nanking Central Special Committee, restoration of Central Executive and Supervisory Committees, immediate holding of Fourth Plenary Session—Nanking Government issues warrant for arrest of Gen. Tang Shen-tse—Nanking fleet arrives at Wuchang—Quo Tai-chi protests action of Shanghai Municipal Council in destroying building belonging to China Merchants Tobacco Co—Nanking Bureau of Agriculture announces formation of Bureau for inspection and taxation of sausage casings—Nanking orders entire 17th army to Tientsin-Pukow line for Northern campaign.

November 17—Serious bandit trouble develops in Hofei district of Anhwei where they defeated part of the 6th regiment of the Nationalist army, the bandits numbering some 5,000 men; Chen Tiao-yuan dispatches 2nd division to attack the bandits—Nationalist troops under Generals Hu Tsung-to and Li Tsung-jen enter Hankow—Nanking Government makes public regulations for punishment of armed robbers, bandits, pirates and kidnappers—Nanking Government Central Special Committee meets, those present being Li Lieh-chun, Wang Pei-chung, Tan Yen-kai, Chow Lu, Yeh Tso-chang, Sun Fo, Tsai Yuan-pei, Mao Tsu-chuan, Hsia Chi and Tan Chen, pass resolutions providing for creation of Central special provisional criminal court for trying counter-revolutionaries and also providing for revision of regulations governing peasant and farmers movements—Sun Fo, Nationalist Minister of Finance appoints Liu Tien-teh superintendent of customs at Changsha and Yohchow and Khan Chai-hou as superintendent at Hankow and Hsu Sui-ling as head of anti-opium bureau of Hupeh—Hsu Yuan-hou assumes office as judge of supreme court at Nanking—Chin Yun-ao who rebelled against Feng Yu-hsiang in Honan and was defeated, arrives in Tientsin—Chinese business houses in Hankow rsume operations—Gen. Chiang Kai-shek expected to go to Nanking shortly.

November 18—Nanking now has 40,000 troops stationed in Wu-Han district and order being maintained; reported that the former Wu-Han leaders Li Pin-hsien, Liu Hsing and Ho Chien have retreated to Hunan, but are offering to cooperate with Nanking—*Toho* report states that considerable trouble developed in Shanghai due to Chang Chung-chang's attempt to enforce heavy taxes upon several Sino-Japanese undertakings contrary to treaty provisions respecting redemption of Shantung—Leaders in Canton affiliated with Gen. Li Chi-sum faction, flee to Canton following coup by Chang Fakwei; Japanese report alleges that Wang Ching-wei, enticed Gen. L

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What's Right with China

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He goes to the source of accepted history on China to disprove the basis upon which a great deal of anti-Chinese criticism rests, and in this respect his work is of importance to current study of the subject.

While realizing fully the unhappy causes of misunderstanding between Chinese and foreigners, the author shows that the current recrimination is ill-judged, badly timed, and faultily based. His underlying appeal is for the elimination of false perspectives, the sweeping aside of propaganda raised by selfish interest, and their substitution by a common-sense program of cooperation and re-adjustment.

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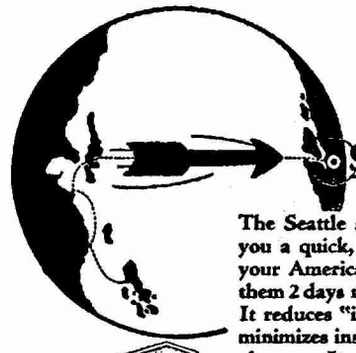

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Chi-sum to Shanghai in order to enable Chang Fa-kwei to put over coup—Chinese chambers of commerce in Chihli province strongly opposing Chang Tso-ling's luxury taxes—Tang Shen-tse, deposed Wu-Han commander arrives in Japan—Adroff Joffe, Soviet official who made first compact with Sun Yat-sen, commits suicide in Moscow owing to illness—Feng Yu-hsiang reports capture of Tsining, but Reuters report from Peking alleges that Chihli-Shantung troops have gotten behind Feng and cut railway west of Kweiteh—Gen. Ho Yin-chin reports capture of Pengpu—Chang Chung-chang appoints Sun Chuan-fang to defend Hsuchowfu against Feng Yu-hsiang—Fengtien makes another attempt to capture Chochow but unsuccessful; women and children removed from city—Peking prolongs Sino-French treaty for another two months—Nanking arranges for giant celebration November 30 of victory over Tang Shen-tse—Sun Fo appoints Wang Kun head of Chekiang opium bureau in place of Tai Nai-kong—*Kuo Wen* report states that more than 9,000,000 people are in want in Shantung province owing to famine conditions and disturbed politics—Anhwei provincial government asks Wuhu merchants for loan of $2,000,000—Shantung tupan, Chang Chung-chang orders arrest of Kao Ung-hung, former Minister of Communications in Peking; Kao flees to Dairen—Serious opium scandal develops in Shanghai owing to one of the monopoly companies offering Sun Fo bribe of $92,000; Sun orders company's deposit confiscated and officials of company arrested—Nanking plans organization of bureau of agriculture and labor in Kiangsu—*Kuo Wen* report from Hankow alleges that Ho Chien looted the Hanyang arsenal of, 80,000 belonging to laborers; (unconfirmed).

November 19—Toho report from Peking quotes British Legation authority as saying that part of British Defense force from Shanghai is being sent to Hankow for use in emergency and that British Government is considering matter of revising Chen-O'Malley Agreement, but that British Government does not intend to take back the Concession—Chang Tso-ling warns Gen. Wu Chun-sheng, military commander at Mukden against some 300 "plain-clothes" troops which are supposed to have entered Mukden district with intention of creating trouble—More than 20,000 of Tang Shen-tse's troops have retreated to Yochow—*Kuo Min* report from Nanking states that Gen. Li Tsung-jen has entered Hankow and is making preparations for continuing the fight into Hunan with the intention of capturing Yochow and Changsha—*Kuo Min* report contains details of capture of Pengpu by Nationalist troops and that Gen. Ho Yin-chin has established his base at Pengpu for further operations—Peking report by *Kuo Wen* states Chang Tso-ling is sending Gen. Han Lin-tsung's troops to the Tientsin-Pukow line to reinforce the Chihli-Shantung troops—Nanking sends Chen Ke-ming and Chang Chien-peh to Shanghai to take control of Labor Unification Committee—Gen. Ho Chien of defeated Wu-Han forces sends delegate Liang Han-ying to Nanking to make peace—Yang Shih-teh appointed head of Hupeh telegraph bureau.

November 20-21—Japanese news report from Canton states that Gen. Huang Shao-hsiung, ally of Gen. Li Chi-sum, has disappeared from Canton and that part of his troops have taken refuge in the British Concession at Shameen and at the Ling-nan University; practically all shops closed in Canton owing to fear that Gen. Huang Shao-hsiung's troops may try to effect a come-back—*Toho* report from Tsinan, capital of Shantung states that the Nationalists have captured Pengpu and that Sun Chuan-fang's troops have retreated to Hsuchowfu where a determined effort will be made to prevent the Nationalists from advancing further north; Feng Yu-hsiang's troops also advancing on Hsuchow from the West so a serious fight is in prospect—Canton Military council appoints Chang Fa-kwei, Li Fu-lin and Chen Kung-po as heads of Council; also decided to engage Gen. Yu Tso-pai to reorganize the defeated troops of Huang Shao-hsiung; believed in Canton that Chiang Kai-shek, Wang Ching-wei and Chang Fa-kwei will work together against the Kwangsi, Nanking and Western Hills factions; further report from Canton states that nine members of the Canton Central Executive and Supervisory Committees are demanding the approval of Chiang Kai-shek, Li Chi-sum and Wang Ching-wei, which is interpreted as being a threat to the Nanking Government that unless a real conference is held Canton will split off and establish a new government at Canton—Peking report by *Toho* states that Generals Chang Hsueh-liang and Han Lin-chun have sent a telegram to Gen. Yen Hsi-shan tupan of Shansi asking him to abdicate and permit Fengtien to control the province—*Toho* report states that Chang Tso-ling has arrested more than 100 students and laborers for Kuomintang agitation in Peking, of which number some 18 have been executed—*Kuo Min* report from Nanking states that the town of Kuchen, a strategic point on the Tientsin-Pukow Railway south of Hsuchowfu has been captured by Nanking forces.

New Books of Interest in the Far East

The Great Russian Famine

"The Famine in Soviet Russia: 1919-1923". The Operations of the American Relief Administration. By Ilsa H. Fisher. Macmillan.

It is difficult to know either the price or the contents of this book, because the first dozen pages or so are missing in our review copy,—or rather, are replaced by a duplicate portion of the final Index standing on its head. The rest of the book is so interesting, however, that we may forgive this little oversight on the part of the printer.

Any book about Soviet Russia must be of absorbing interest in this crisis of modern history. And a book which makes no attempt directly to attack or to defend the government of that country, but which, in trying to recount faithfully one phase of the activities of the American Relief Association in Europe, incidentally records also the relations of the Soviet Government with an alien organization vitally affecting Russia during the critical post-Revolution years, must be of peculiar and convincing interest.

To European and American minds it would scarcely occur to doubt the political disinterestedness of the A. R. A. in its Russian work. Yet from the time when the first agreement with the Soviet Government was signed by it at Riga on Aug. 20, 1921, until the final farewell dinner in Moscow on June 16, 1923, the story was one long series of misunderstandings and battlings with suspicion. On the one hand, "the Communists and the apologists of Communism in Russia clung tenaciously to the thesis that Hoover and the A. R. A. were bent on the destruction of the Soviet Government and injury to Russia". If facts seemed to deny this, "they changed their explanation as to how these ends were being sought. First, so they said, it was by withholding relief; next, by delivering relief; then by sabotaging relief and misrepresenting the capacity of Russian transport; and finally, by minimizing the need of relief in 1922-1923". On the other hand,—and this is what Anglo-Saxons are too liable to forget—the Russians were right in suspecting Hoover for his inextinguishable hatred of Bolshevism. As the author says:—"With regard to Bolshevism in 1919, Hoover's attitude needs no analysis. He fought it with all his strength" (in Central Europe). And again, in a lettler of Aug. 1921, Hoover himself says:—"If youish to dow discuss Government politics, and wish to go back two years to the period of the Armistice, I am glad to say that my understanding is that the whole of American politics during the liquidation of the Armistice was to contribute everything it could to prevent Europe from going Bolshevik or being overrun by their armies". If it is true that the Bolsheviks were more interested in establishing diplomatic or trade relations with the United States than in receiving aid from America for Russian children, it is also true that Hoover had committed himself pretty drastically on the subject of Bolshevism when he said:—"No greater fortune can come to the world than that these foolish ideas should have an opportunity somewhere of bankrupting themselves" and, again, on the A. R. A. itself when, in outlining the proposal for it, he wrote: "It would appear to me that such a proposal would at least test out whether this is a militant force engrossed upon world domination".

It was too much to hope that either side would be entirely emancipated from political motives, and, as things worked out, with feelings continually at white heat, the clash was even more spectacular than had been expected. The story of this book may be taken as an epitome of the whole Russo-Anglo-Saxon misunderstanding, an unequalled study in the psychology of partisan unfairness as tested against the acid of humanitarian impartiality.

The psychological student will find other interesting material within its covers: not the mere interest which is produced by jumping from place to place and people to people—from Riga to Astrakhan, Odessa to Orenburg—but the fascinating study of human personalities and relationships. It is cheering to come upon the delightful,—or perhaps we should say, restful, personality of Kameneff, who was in charge of the Russian side of the Relief business: "there was nothing picturesque about him; he was merely a very courteous, very able, very hard-working official with a sense of proportion. Most real Communists, the A. R. A. discovered later, were hard-working, many were able, some courteous, but relatively few had this sense of proportion, which is by no means a virtue in a revolutionary leader, but is essential to a successful adimnistrator". On the other hand, there were men like Eiduk to be reckoned with: "argument unsupported made no serious impression on men like Eiduk, schooled in the unrestricted warfare of revolution where engagements are made only to be broken, and all means are justified by the end . . . In this case, the matter required a much longer period for adjustment, for Eiduk had seen fit to inject himself into the controversy . . . Eiduk was a policeman. By a heavy-handed ruthlessness, he had risen from a position of no great prominence . . . to membership in the collegium of the Cheka, that terrifying arm of Communism . . . Within the Party Eiduk found his place in the Left Wing with the dogmatists and the die-hards, not because he symapthized with them in the theoretical controversies that continually threatened the Party unity, but because temperamentally, like many other, he was an under-dog".

On the wider social side, "the Americans, youthful, impatient, and deeply moved by the misery and helplessness about them, were appalled by the apathy and oriental fatalism with which the ghastly horrors of hospitals, stations, and streets were accepted". And yet they frequently encounteredthat responsiveness and revolutionary selfsacrifice which was exemplified in one case where "the failure . . . was in a certain measure offset by the assistance given by workmen in the railroad yards, who . . . refused to accept pay, since the Americans had come to help Russia in her time of need".

In order to find this book enthralling, it is not even necessary to be moved with pity for the starving and the oppressed: all that is needed is a mind inspired with the motive of Love, which is most powerful in the world, As Mr. Hoover himself wrote in 1923, with an eye on the closing down of the work and the problems of reconstruction: "The first phase of relief—the shipment of food—will, I hope, be over with next harvest . . . The other forms of relief . . . will deservedly pull upon the heart-strings of charity for many years to come and offer an ample field for those who can devote themselves to such work, for the terrible suffering of a great people groping for freedom from centuries of wrong must enlist the sympathy of every well-thinking person".

J. D. M.

Shanghai, November 18, 1927

Seeing China With Friendly Eyes

What's Right With China, by O. D. Rasmussen. Shanghai: Commercial Press. Mex $3.50

This book is primarily a reply to a book published last year entitled "What's Wrong With China," written by an American with a pronounced local die-hard British point of view. As between the two books Mr. Rasmussen's is by far the fairest, although there is a certain amount of overstatement and a tinge of acerbity which taken together somewhat lessen the effect (but only a trifle) of a volume which has only too few companions. It does all of us good, foreigners and Chinese both, to look occasionally at the other man's point of view. Robert Burns' famous phrase about the necessity for seeing ourselves as others see us applies particularly to foreigners in China, and to a certain extent also to the Chinese. It probably does seem strange to the so-called benighted Chinese and other Asiatic nations to be told that they are all wrong in worshipping more than one god, and then to be confronted with a hundred or so of different "brands" of this same one-God religion. Some of the author's generalities are rather strongly put; for instance: "The internal troubles of China are the result of alien interference in its domestic affairs, and, if the Chinese, in despair at the gradual disintegration of their beloved native land, have resorted to guile, deceit, chicanery in their casting about for means of release from an overwhelming oppression, they have done ne better than any nation or people in the West." May be a little overstated, but nevetheless so nearly the absolute truth as to make the Western reader pause and ponder. Once more let it be stated that there is nothing particularly strange about what is going on in China at the present time. It is a case of putting new wine into old bottles—there will inevitably be a burst-out now and then. Hardly a thing is happening in China today that has not happened at some time or another in the West. The thing that makes the course of events seem so strange to the Westerner is that the things that are now happening in China have mostly happened so long ago in the West that most Westerners have forgotten that they did happen. Take, for instance, the very common trick in China for a powerful general to invite the rich merchants of the community to a banquet. They all know what that means—it means "cough up." Is there anything particularly Chinese about that? Not at all. Queen Elizabeth and many other sovereigns in Western lands, before and since her time, have adopted the same expedient to raise funds when sorely pressed. No, there is nothing particularly wrong with China, except that, as a big, bulky, slowly moving creature, it has been a little slow in getting into action in the matter of setting its house in order. China, be it remembered is a country that would take in a good many European countries in area, and even more of them in population, and if the Western world ten years ago could engage in the gruesome task of hacking each other to pieces by the millions without interference from the Eastern world there seems to be no reason why the Chinese should not be allowed to go on in the same way (and their excesses are a fleabite compared with those of the world war) without interference from the Western world.

G. W. M.

Latest New York Stock Exchange Quotation

Nov. 23, Supplied by J. E. Swan & Co. Tel. C. 6615 6619.
Market Closed Irr Business Done 2,400,000

STOCK	Previous Price	Latest Price
Allied Chemical & Dye (Common)	153	151
American Can (Common)	mutilated	72½
American Radiator (Common)	135	134
Armour & Co. (Illinois) 7% Pfd	66	67⅝
American Telephone & Tel. (Common)	179¼	179⅛
American Tobacco "B"	178¾	177¾
Baldwin Locomotive Co. (Common)	254	253
Bethlehem Steel (Common)	55	55
Bethlehem Steel, Pfd. 7%	117½	117½
Canadian Pacific Railway	195⅛	195
Canada Dry Ginger Ale	51¾	51
Cheasapeake & Ohio (Common)	210¼	209
Eastman Kodak Co. (Common)	170	168⅜
General Baking "A"	78⅞	78⅞
General Electric (Common)	131	129½
General Motors (Common)	231¾	229¼
Goodrich (B.F.) Co. (Common)	78½	78¾
International Match, Pfd.	92	91¾
International Nickel (Common)	67⅞	67⅛
Ligget & Myers, Class "B"	120	124
Mack Trucks (Common)	108½	109⅜
New York Central (Common)	164	163¼
Packard Motor Car Co. (Common)	51½	53⅜
Phillips Petroleum (Common)	42⅞	49¾
Pacific Gas & Electric	45	45
Radio Corp. of America (Common)	83½	90½
Reynolds Tobacco, Class "B"	156¼	157½
Standard Gas & Electric (Common)	60⅝	60⅝
Schulte Retail Stores (Common)	52½	53⅜
Southern Railway (Common)	140⅜	140⅜
Standard Oil of California	56	56
" " of New Jersey	40½	40¾
" " of New York	32½	32¼
" " of Indiana	80	80½
Texas Corporation (Common)	53⅛	53¼
Tobacco Products, Class "A"	116½	116
Union Carbide	153⅞	150½
Union Pacific RR. (Common)	192¾	192⅛
United Fruit	143	142⅞
United Drug (Common)	195	193
United States Rubber (Common)	50⅛	53⅝
United States Realty & Imp. Co.	62⅛	61½
United States Steel	142⅞	142⅜

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Nov. 16th	Sale Price Nov. 17th	Approx. Yield to Maturity Nov 17th
Czecho Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	108¾	108¾	7.23
Czecho Slovak Govt. Ext. S. F. Loan	7½	Oct. 1, 1945	105	105	7.01
Republic Chile S.F. Loan	7	Nov. 1, 1942	102⅛	102	6.79
Argentine Ext. S.F. Loan	6	May. 1, 1960	99	99¼	6.05
Italy, Ext. S. F. Loan..	7	Dec. 1, 1951	98	98	7.18
Austrian S. F. G. Loan..	7	June 1, 1943	105½	103⅞	6.60
French Ext. S. F. Loan	8	Sept. 15, 1945	111	110⅝	7.04
Japanese Govt. (£).....	5	1907/1947	84½	84⅜	6.40
German Govt. S. F. Loan	7	Oct. 15, 1949	106¼	106⅜	6.45
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 15, 1950	99⅞	99⅞	7.09
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	100¼	99¾	7.03
German G.E.C.S.F. Loan	7	Jan. 15, 1945	101⅞	101½	6.85
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1954	99	98½	6.62
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98½	98½	6.65
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	100	100	6.50
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	100¼	100	7.50
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	100½	100	7.00
Pennsylvania Dixie Cement Cumulative...	7	Pfd. Stock	98½	97½	7.18
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	98	99¼	7.04
Willys Overland Co.....	7	Pfd. Stock	92⅞	92⅞	7.54
The National City Bank of New York.....	20	Stock	720	718	2.79
Republic of Peru, Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	102⅛	103⅛	7.18

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, November 23, 1927

By Maitland, Fearon and Brand

Exchange:—The price of Bar Silver in London has declined $\frac{3}{16}$d. for spot and $\frac{1}{8}$d. wo months forward during the past week, today's quotations beirg respectively 26½d. and 26⅜d. The official T/T rate on London after declining to 2/6⅜d. has again recovered to 2/7d. Exchange rates on Loudon have ranged between 2/7 $\frac{7}{16}$d. and 2/6 $\frac{15}{16}$d, closing at 2/7¼d. with a steady undertone, Gold dollars are offering at 63½. 4 m/s export paper can be placed, Sterling 2/8 $\frac{1}{16}$d., G. $ 64⅞.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls. 62,208,000 an increase of Tls. 539 000

Chinese and Mexican Dollars..... $ 73,340,000 a decrease of $ 1,230,000

Estimated value Tls. 115,012,000 as against Tls. 129,811,000 held at this time last year.

	Average rates for Nov.	Thursday Nov. 17	Friday Nov. 18th	Satur. Nov. 19th	Monday Nov. 21th	Tuesday Nov. 22	Wednesday Nov. 23
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/6 120	2/7	2/7	2/7	2/6¾	2/7	2/7
D/Dfts ,,	—	2/7 $\frac{1}{16}$	2/7 $\frac{1}{16}$	2/7 $\frac{1}{16}$	2/6 $\frac{15}{16}$	2/7 $\frac{1}{16}$	2/7 $\frac{1}{16}$
4 m/s ,,	—	2/7¼	2/7¼	2/7¼	2/7	2/7	2/7¼
T/T India	167.290	172⅝	172¼	172¼	170¾	170¾	172¼
T/T France	1,557,000	1600	1600	1600	1590	1590	1600
T/T N. Y.	61.095	63	63	63	62½	62½	63
T/T Demand		63⅛	63⅛	63⅛	62⅝	62⅝	63⅛
T/T Hamburg		264	264	264	261½	261½	264
T/T H'kong	79.490	79⅛	79⅛	79¼	79	79⅛	79¼
T/T Japan	76.240	72½	72¾	72¾	72⅝	73⅝	72¾
T/T Batavia	151.740	155½	155½	155½	154¼	154¼	155⅝
T/T Straits	92.390	89⅞	89⅞	89⅞	90½	90½	89⅞
Bk's buying rates							
4 m/s B/L. Cred. D/A	2/8 120	2/9	2/9	2 9	2/8¾	2/8¼	2/9
4 m/s ,, D/P	—	2/9⅛	2/9⅛	2/9⅛	2/8⅞	2/8¼	2/9
6 m/s ,, B/L Cred D/A	2/8.432	2/9 $\frac{6}{16}$	2/9 $\frac{26}{16}$	2/9 $\frac{6}{16}$	2/9 $\frac{1}{16}$	2/9 $\frac{1}{16}$	2/9 $\frac{5}{16}$
4 m/s B/F Cred D/A or D/P	1,687.000	1730	1730	1730	1720	1720	1730
4 m/s N.Y.Lc	64.490	66⅜	66⅜	66⅜	65⅜	65⅜	66⅜
4 m/s ,, Docs	—	66⅞	66⅞	66⅞	66⅜	66⅜	66⅞

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling Bullion.	Nov. 17	Nov. 18	Nov. 19	Nov. 21	Nov. 22	Nov. 23
*London Price of Bar Silver per oz (English Standard 925 touch)...Pence	26 $\frac{1}{16}$	26½	26½	26 $\frac{7}{16}$	26 $\frac{6}{16}$	26½
**New York Price of Bar Silver per oz. (Pure)	G. $.57¾	G. $. 57½	G. $. 57⅝	G. $. 56⅞	G $. 57⅛	G. $ 57¾
Shanghai Price of Gold Bars (weight Tls. 10 (Changing) 978 touch).....	Tls. 352	Tls. 351 ^{40}	Tls. 351 ^{40}	Tls 356 ^{20}	Tls 352 ^{40}	Tls. 351 ^{10}
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110 ^{90}	110 ^{90}	110 ^{90}	110 ^{00}	110 ^{90}	110 ^{90}
Shanghai Mexican Dollars per $100.....	73 025	73 0875	73.175	73.1375	73.125	72.975
Native Bank Rate of Interest (Call money).....	2%	1%	1%	1½%	1%	1%
*Closing Price in Lond on for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.
Bank of France rate of discount	5%	New York on London	T/T 487⅝
London open Market of Dis. 3 m/s	4⅜%	Bombay on London	T/T 1/5 $\frac{15}{16}$
,, 4 ,,	4⅜%	Hongkong on London	T/T 2/0¼
,, 6 ,,	4⅜%	Kobe on London	T/T 1/10½